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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

**EUGENE R. WEDOFF,
BANKRUPTCY JUDGE**

In re:

CANOPY FINANCIAL, INC.

Debtor.

Case No. 09 B 44943

Chapter 7

**FINDINGS OF FACT AND CONCLUSIONS OF LAW IN SUPPORT OF ORDER AWARDING TO
SEYFARTH SHAW LLP, COUNSEL FOR CHAPTER 7 TRUSTEE GUS A. PALOIAN, FOR
ALLOWANCE AND PAYMENT OF SECOND INTERIM COMPENSATION AND REIMBURSEMENT
OF EXPENSES**

TOTAL FEES REQUESTED:	\$649,090.00	TOTAL COSTS REQUESTED:	\$16,607.80
TOTAL FEES REDUCED:	\$98,541.31	TOTAL COSTS REDUCED:	\$5,533.69
TOTAL FEES ALLOWED:	\$550,548.69	TOTAL COSTS ALLOWED:	\$11,074.11

TOTAL FEES AND COSTS ALLOWED: \$561,622.80

The attached time and expense entries have been underlined to reflect disallowance in whole or in part. The basis for each disallowance is reflected by numerical notations that appear on the left of each underlined entry. The numerical notations correspond to the enumerated paragraphs below.

(2) Unreasonable Time

The Court denies the allowance in part of compensation for the following task since the professional or paraprofessional expended an unreasonable amount of time on this task in light of the nature of the task, the experience and knowledge of the professional performing the task, and the amount of time previously expended by the professional or another on the task. *In re Pettibone*, 74 B.R. 293, 306 (Bankr. N.D. Ill. 1987) ("The Court will determine what is the reasonable amount of time an attorney should have to spend on a given project... An attorney should not be rewarded for inefficiency. Similarly, attorneys will not be fully compensated for spending an unreasonable number of hours on activities of little benefit to the estate."); *In re Wildman*, 72 B.R. 700, 713 (Bankr. N.D. Ill. 1987) (same).

As to the time devoted to the preparation of the fee application itself, the Court denies the allowance of compensation that is disproportionate to the total hours in the main case. *In re Wildman*, 72 B.R. 700, 711 (Bankr. N.D. Ill. 1987) ("In the absence of unusual circumstances, the hours allowed by this Court for preparing and litigating the attorney fee application should not exceed three percent of the total hours in the main case."); *In re Spanjer Bros., Inc.*, 203 B.R. 85, 93 (Bankr. N.D. Ill. 1996) (compensation limited to 5%). See also *In re Pettibone Corp.*, 74 B.R. 293, 304 (Bankr. N.D. Ill. 1987) (citing *Coulter v. State of Tennessee*, 805 F.2d 146, 151 (6th Cir. 1986) (in non-bankruptcy cases, compensation for preparation and litigation of fee petitions limited to 3-5% of the hours of the main case)).

(3) Reimbursement Limited to Actual, Necessary Expenses

The Court denies the allowance of reimbursement for expenses that were not actually and necessarily incurred by the applicant. See 11 U.S.C. §§ 330(a)(1)(B) & 331. The fee application fails to demonstrate that the requested expenses for photocopies or facsimiles (or both) were actual out-of-pocket disbursements and that the quoted rates were necessary in light of prevailing (and lower) commercial rates. In the absence of such proof, the Court will allow reimbursement of photocopy expenses at a rate of \$.10 per page in accordance with prevailing commercial rates and will not allow expenses for facsimiles.

(4) Insufficient Description

The Court denies the allowance of compensation for the following task since the description of the time entry fails to identify in a reasonable manner the service rendered. *In re Pettibone*, 74 B.R. 293, 301 (Bankr. N.D. Ill. 1987) ("A proper fee application must list each activity, its date, the attorney who performed the work, a description of the nature and substance of the work performed, and the time spent on the work. [Citation omitted] Records which give no explanation of the activities performed are not compensable."); *In re Wildman*, 72 B.R. 700, 708-9 (Bankr. N.D. Ill. 1987) (same).

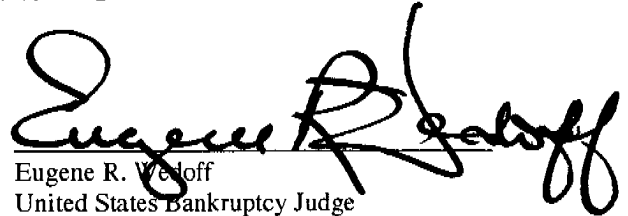
(7) Lumping

The Court may impose a ten percent penalty for "lumping." *In re Wildman*, 72 B.R. 700, 709 (Bankr. N.D. Ill. 1987) ("Applicants may not circumvent the minimum time requirement or any of the requirements of detail by "lumping" a bunch of activities into a single entry. [citation omitted]. Each type of service should be listed with the corresponding specific time allotment.").

(11) Overhead Costs are Non-Compensable

The Court denies reimbursement for fees or expenses that are overhead costs. Expenses which are overhead are not compensable because they are built into the hourly rate. See *In re Wildman*, 72 B.R. 700, 731 (Bankr. N.D. Ill. 1987). Overhead, for bankruptcy purposes, includes "all continuous administrative or general costs or expenses incident to the operation of the firm which cannot be attributed to a particular client or cost." *In re Convent Guardian Corp.*, 103 B.R. 937, 939-40 (Bankr. N.D. Ill. 1989) (quoting *In re Thacker*, 48 B.R. 161, 164 (Bankr. N.D. Ill. 1985)).

Dated: September 14, 2010


Eugene R. Wedoff
United States Bankruptcy Judge

CASE ADMINISTRATION

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/01/10	J. DeJonker	Review and revise A&M retention application (1.00); conference with G. Paloian regarding same (.10); review and analyze GRE administrative claim (.10); exchange E-mails with G. Paloian, et al., regarding GRE administrative claim (.10); telephone conference with P. McGrath regarding A&M retention issues (.20).	1.50	660.00
03/03/10	J. DeJonker	Review and analyze memorandum from and exchange E-mails with J. Sowka regarding administrative claim (.20); review and revise A&M letter (.50); conference with G. Paloian regarding A&M issues (.20); exchange E-mails with P. McGrath, et al., regarding A&M issues (.20).	1.10	484.00
03/04/10	J. DeJonker	Exchange E-mails with G. Paloian, V. Lazar, P. McGrath, et al., regarding A & M issues (.30); review and analyze A & M retention materials (.10); review and analyze voicemail message from G. Paloian regarding same (.10); review and analyze prior days (or recently filed) various pleadings filed in Canopy bankruptcy case (.10); conference with G. Paloian regarding status and strategy (.30); telephone conference with J. Szafran and P. McGrath regarding A&M retention issues (.30); telephone conference with V. Lazar and G. Paloian regarding same (.30).	1.50	660.00
03/05/10	J. DeJonker	Exchange e-mails with G. Paloian, et al., regarding A&M issues (.10); telephone conference with G. Paloian, V. Lazar, and A&M representatives regarding engagement issues and follow-up/preparation related to same (1.00) <telephone conference with J. Szafran (.30).>	1.40	616.00
			④	-132
03/08/10	J. DeJonker	Conference with G. Paloian regarding A&M matters.	0.20	88.00
03/09/10	J. DeJonker	<Review and analyze various pleadings filed in Canopy bankruptcy case (.10); exchange e-mails with J. Szafran, et al., regarding A&M issues (.20); review and analyze A&M indemnification agreement (.20).	0.50	220.00
			④	-44
03/10/10	J. DeJonker	<Review and analyze various pleadings filed in Canopy bankruptcy case (.10); exchange e-mails with P. McGrath, et al., regarding A&M issues (.20); review and analyze A&M worksheets (.30); brief review and analysis of revised engagement agreement (.10).	0.70	308.00
			④	-44
03/11/10	N. Bouchard	Westlaw download of case regarding fraudulent conveyance law for G. Paloian.	0.20	25.00
03/11/10	J. DeJonker	<Review and analyze various pleadings filed in Canopy bankruptcy case (.10); exchange E-mails with G. Paloian, et al., regarding A&M issues (.10).	0.20	88.00
			④	-44

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/12/10	J. DeJonker	Review and analyze various pleadings and motions filed in Canopy bankruptcy case (.10); exchange E-mails with P. McGrath, et al., regarding A&M issues (.10).	0.20 ④ - 44	88.00
03/14/10	J. DeJonker	Review and analyze various pleadings and motions filed in Canopy bankruptcy case.	0.10 ④ - 44	44.00
03/17/10	J. Sowka	Confer with J. Priebe regarding preparation of motion to obtain authority to pay technology vendor.	0.10	32.50
03/17/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case (.10); exchange E-mails with P. McGrath, et al., regarding A&M issues (.10).	0.20 ④ - 44	88.00
03/18/10	J. Sowka	Review and analyze motion of Coventry to take discovery with Trustee (.20); exchange E-mails with G. Paloian and V. Lazar regarding same (.10); various conferences with N. Bouchard regarding preparation of motion to use funds outside of the ordinary course pursuant to section 363 to fund Nuix contract (.20); confer with R. Lutkus regarding same (.10); legal research regarding treatment of rejection damages claims (.10); confer with G. Paloian regarding preparation of motion to approve use of funds for Nuix contract (.10).	0.80	260.00
03/18/10	N. Bouchard	Conference with J. Sowka regarding Trustee's motion to use funds outside of ordinary course of business to purchase hardware and software licensing (.20); review agreement regarding same (.20); prepare draft motion regarding same (1.20).	1.60	200.00
03/18/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case (.10); exchange e-mails with P. McGrath, et al., regarding A&M issues (.20); review and analyze spreadsheets from A&M regarding retention issues (.20).	0.50 ④ - 44	220.00
03/19/10	G. Paloian	Review and revise application to use estate funds to host data and sign license agreement (.50); review and revise A&M retention application (.30).	0.80	444.00
03/19/10	J. Sowka	Confer with G. Paloian regarding retention of Alvarez Marsal and payment of related fees (.30); confer with R. Sukley regarding preparation of motions to use funds outside of the ordinary course to analyze computer data (.20); review E-mails from G. Paloian and J. DeJonker regarding preparation of motion to retain Alvarez & Marsal (.10); legal research regarding jurisdictional issues related to restitution and foreclosure issues (1.10); review and analyze revised Nuix contract (.30); review and revise motion to use funds for Nuix contract (.70); confer with G. Paloian regarding same (.10); exchange E-mails with R. Lutkus and N. Bouchard regarding additional costs related to the Nuix contract (.10).	2.90	942.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/19/10	N. Bouchard	Prepare motion to use funds outside of ordinary course of business regarding purchase of software licensing (3.00); multiple revisions to same (1.10); search for coordination agreement referenced in USA v. Dreier matter for J. Sowka and G. Paloian (.20).	4.30	537.50
03/19/10	J. DeJonker	Telephone conference with J. Szafran and G. Paloian regarding A&M issues (.10); exchange E-mails with P. McGrath regarding same (.10); review and analyze voicemail message from J. Szafran regarding same (.10); exchange E-mails with G. Paloian, et al. regarding A&M issues (.10); review and analyze various pleadings filed in Canopy bankruptcy case (.10); telephone call to J. Szafran regarding A&M issues (.30).	0.80	352.00
03/22/10	J. Sowka	Confer with G. Paloian regarding revisions to the motion to use estate funds for the Nuix contract (.20); confer with N. Bouchard regarding same (.10); review and revise same (1.90); review various E-mails from G. Paloian and A. Douglass regarding termination of the Debtor's 401(k) plan (.10); review and analyze indemnification agreement, retention agreement, order approving retention and billing records in preparation for revisions to retention agreement of Alvarez and Marsal (2.10); confer with G. Paloian regarding retention of outside service to assist in document review (.10).	4.50	1,462.50
03/22/10	N. Bouchard	Multiple revisions to motion regarding use of funds outside ordinary course of business to purchase software licensing to review data for J. Sowka; PACER search for Coordination Agreement referenced in USA v. Dreier matter for J. Sowka (.30).	1.30	162.50
03/22/10	J. DeJonker	Exchange E-mails with P. McGrath, et al., regarding A&M application and related issues (.10); brief conference with J. Sowka regarding same (.10).	0.20	88.00
03/23/10	G. Paloian	Revise engagement letter (.20); review and revise Nuix motion (.50).	0.70	388.50
03/23/10	J. Sowka	Revise retention agreement and motion to employ Alvarez & Marsal (2.20); exchange E-mails with P. McGrath regarding same (.10); confer with G. Paloian regarding same (.10); call with P. McGrath, D. Click, and J. DeJonker regarding revisions to retention agreement Alvarez & Marsal (.20); revise Alvarez & Marsal retention agreement and application for retention (1.50); review and revise motion to approve Nuix (.80); draft email to J. Priebe regarding same (.10); confer with D. Blouin regarding retaining outside document review agency (.10); review email from P. McGrath regarding pending approval of the modified retention agreement with Alvarez & Marsal (.10); confer with J. Priebe regarding revisions to the Nuix motion (.10); draft email to G. Paloian regarding same (.10).	5.40	1,755.00

④ - 44

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/23/10	J. Priebe	Review and revise motion for authority to spend estate funds on Nuix.	0.30	123.00
03/23/10	N. Bouchard	Further revisions to motion regarding use of funds outside ordinary course of business to purchase software licensing to review data for J. Sowka.	0.80	100.00
03/23/10	J. DeJonker	Exchange E-mails with J. Sowka, P. McGrath, et al., regarding retention issues (.30); review and analyze various pleadings filed in Canopy bankruptcy case (.20); review and analyze A&M retention letter and application (.20).	0.70	308.00
④ - 88				
03/24/10	J. Sowka	Exchange e-mails with P. McGrath of Alvarez & Marsal regarding filing of retention and fee applications (.10); review and revise motion to approve Nuix contract (.60).	0.70	227.50
03/25/10	J. Sowka	Review email from P. McGrath regarding revisions to the retention agreement (.10); review and analyze retention agreement (.20); revise same (.20); draft email to P. McGrath regarding revisions to same (.30); review email from P. McGrath regarding executed retention agreement (.10); review and revise application materials for retention of Alvarez & Marsal (.80); draft email to P. McGrath regarding execution of declaration agreement (.10); draft email to P. McGrath regarding filing of retention application (.10).	1.90	617.50
03/25/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case (.10); exchange E-mails with P. McGrath, et al., regarding retention documentation (.10).	0.20	88.00
④ - 44				
03/26/10	J. DeJonker	Review and analyze various pleadings and motions filed in Canopy bankruptcy case.	0.10	44.00
④ - 44				
03/29/10	J. Sowka	Confer with G. Paloian regarding revisions to contract with Nuix and hearing to approve use of funds for same.	0.10	32.50
03/30/10	J. Sowka	Prepare for hearing on motion to use estate funds for the Nuix contract (.20); appear in court and present same (.30).	0.50	162.50
03/31/10	J. Sowka	Review copy of order approving use of funds for the Nuix contract and draft email to R. Lutkus regarding same.	0.10	32.50
⑦ - 3.25				
04/01/10	J. DeJonker	Review and analyze various pleadings and motions filed in Canopy bankruptcy case.	0.20	88.00
④ - 44				
04/02/10	J. DeJonker	Conference with G. Paloian and J. Sowka regarding A&M issues.	0.20	88.00
04/06/10	J. Sowka	Exchange E-mails with P. McGrath regarding entry of order approving retention of Alvarez & Marsal.	0.10	32.50
04/06/10	J. DeJonker	Preparation for and attendance at hearing on motion to retain A&M.	0.70	308.00
⑦ - 30.80				

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
04/07/10	J. Sowka	Review court order granting trustee's application to retain Alvarez & Marsal (.10); draft email regarding same to P. McGrath (.10); exchange E-mails with P. McGrath regarding same (.10).	0.30	97.50
04/09/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case (.20); exchange e-mails with J. Sowka, et al., regarding A&M retention (.10); review and analyze A&M order and e-mails from J. Sowka regarding same (.10).	0.40	176.00
			(4)	-176
04/12/10	J. McManus	Prepare motion to approve supplemental expenses for Guidance Software.	0.50	117.50
04/12/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case. >	0.10	44.00
			(4)	-44
04/13/10	J. DeJonker	Review and analyze various pleadings and motions filed in Canopy bankruptcy case. >	0.10	44.00
			(4)	-44
04/15/10	J. Sowka	Confer with G. Paloian regarding insider's motion to use frozen funds to pay home mortgage.	0.10	32.50
04/15/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case. >	0.10	44.00
			(4)	-44
04/16/10	J. McManus	Revise motion for authority to pay additional fees to computer forensics experts.	0.50	117.50
04/16/10	J. DeJonker	Review and analyze various pleadings and motions filed in Canopy bankruptcy case. >	0.10	44.00
			(4)	-44
04/19/10	J. Sowka	Confer with R. Sukley regarding insider motion to use funds for living expenses (.10); telephone call with R. Sukley regarding preparation of memorandum regarding case status (.10).	0.20	65.00
04/19/10	J. DeJonker	Review and analyze various pleadings and motions filed in Canopy bankruptcy case. >	0.10	44.00
			(4)	-44
04/20/10	J. Sowka	Review email from R. Angart regarding termination of the Cojent contract.	0.10	32.50
04/20/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case. >	0.10	44.00
			(4)	-44
04/22/10	J. DeJonker	Review and analyze various pleadings and motions filed in Canopy bankruptcy case. >	0.10	44.00
			(4)	-44
04/23/10	J. Sowka	Review various documents and material in preparation for drafting case summary (1.20); draft case summary memorandum pursuant to request from R. Sukley of the U.S. Trustee's Office (.50).	1.70	552.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
04/26/10	J. Sowka	Review various documents and materials in preparation for drafting case summary for R. Sukley (.70); draft case summary (2.90); confer with G. Paloian regarding same (.10); review and revise case update pursuant to comments from G. Paloian (2.40); draft email to R. Sukley regarding same (.10).	6.20	2,015.00
04/26/10	J. McManus	Revise motion for authority to pay professional.	④ 0.70	164.50 -164.5
04/28/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case.	④ 0.10	44.00 -44
04/29/10	J. Sowka	Confer with R. Sukley regarding retention of various estate professionals and discussions with SEC (.40); confer with G. Paloian regarding same (.20).	0.60	195.00
04/29/10	J. DeJonker	Review and analyze recent pleadings filed in Canopy bankruptcy case.	④ 0.10	44.00 -44
04/30/10	G. Paloian	Telephone conference with SEC representatives, DOJ, US Trustee representatives regarding asset coordination.	1.10	610.50
04/30/10	J. Sowka	Draft application to retain Lombard Auto Exchange (2.60); confer with G. Paloian regarding negotiations with law enforcement agencies for joint administration of assets (.40).	3.00	975.00
04/30/10	J. DeJonker	Review and analyze various pleadings and motions filed in Canopy bankruptcy case.	④ 0.10	44.00 -44
05/03/10	G. Paloian	Conferences with J. Sowka regarding Coordination Agreement terms and issues (.40); telephone conference with V. Lazar regarding potential terms of Coordination Agreement with SEC and DOJ (.30).	0.70	388.50
05/03/10	J. Sowka	Various conferences with G. Paloian regarding preparation of coordination agreement (.40); review sample coordination agreement and related pleadings (1.70); legal research regarding same (2.10); draft coordination agreement (2.60).	6.80	2,210.00
05/04/10	G. Paloian	Conference with J. Sowka regarding retention of Legalpeople.	0.30	166.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/04/10	J. Sowka	Exchange E-mails with G. Paloian and D. Blouin regarding terms of retention for Legalpeople to undertake document review (.20); confer with D. Blouin regarding same (.10); confer with G. Paloian regarding same (.10); call with J. Kosciolk regarding terms of retention of Legalpeople (.10); various conferences with N. Bouchard regarding preparation of application to retain Legalpeople (.20); call with R. Angart regarding preparation of demand letters for delinquent accounts (.10); review email from J. Priebe regarding implementation of Legalpeople document review services (.10); review and revise retention agreement (1.90); confer with G. Paloian regarding same (.10); draft email to J. Kosciolk regarding revisions to retention agreement (.10); review and revise employment application for Legalpeople (1.10); draft email to N. Bouchard regarding filing and service of retention application (.10); exchange E-mails with J. Kosciolk regarding execution of retention agreement declaration in support of employment application (.10); review and analyze executed declaration (.10); confer with N. Bouchard regarding filing of employment application (.10); review, analyze and email attachment regarding press release issued by former HSA account holder (.20); review various E-mails from G. Paloian and A. Cotter regarding preservation of assets subject to SEC freeze order (.10); confer with G. Paloian regarding same (.10); revise coordination agreement (.30).	5.20	1,690.00
05/04/10	J. McManus	Review Motion to Retain Contract Attorneys (.10); confer with N. Bouchard regarding same (.10).	0.20	47.00
05/04/10	N. Bouchard	Revise motion to retain services of Legalpeople LLC (1.80); draft supporting declaration (.50); prepare list of 20 largest creditors for J. Sowka (.10); revise retention motion and arrange for filing of same (.60); discuss same with J. Sowka (.20).	3.20	400.00
05/04/10	J. DeJonker	Review and analyze recently-filed pleadings in Canopy bankruptcy case.	0.10	44.00
05/05/10	G. Paloian	Conference with J. Sowka regarding drafting and terms of coordination agreement.	0.30	166.50

④

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<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/05/10	J. Sowka	Review and revise application to employ Legalpeople and accompanying documents (.40); review and analyze various documents to order to finalize the proposed coordination agreement with the government (.90) continue drafting coordination agreement (2.40); review and revise coordination agreement (2.10); various conferences with B. Roche regarding same (.10); confer with J. Priebe regarding retention of Legalpeople (.10); call with M. Pinciak regarding coordination agreement (.40); review various E-mails regarding assets turned over to the SEC by various third parties (.10); draft email to B. Roche and G. Paloian regarding review of coordination agreement and related materials (.20).	6.70	2,177.50
05/05/10	N. Bouchard	Review and revise motion to retain contract attorneys for J. Sowka (.60); cause same to be filed with the Court (.20).	0.80	100.00
05/05/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case.	0.10 (4)	44.00 -44
05/06/10	G. Paloian	Review Drier coordination agreement.	0.30	166.50
05/06/10	J. Sowka	Various conferences with G. Paloian regarding terms of coordination agreement and revisions to same (.40); confer with B. Roche regarding revisions to coordination agreement (.10); review and revise coordination agreement (1.70); draft email to G. Paloian and others regarding same (.10); call with C. Robertson regarding coordination agreement (.70); review email from V. Lazar regarding revisions to coordination agreement (.10).	3.10	1,007.50
05/06/10	J. McManus	Prepare motion for authority to use funds outside of the estate.	0.70	164.50
05/06/10	J. DeJonker	Review and analyze recent pleadings filed in Canopy bankruptcy case.	0.10 (4)	44.00 -44
05/07/10	G. Paloian	Telephone conference with V. Lazar regarding Coordination Agreement (.40); review and revise Coordination Agreement (.30); telephone conference with M. Firestein regarding same (.30); review Canopy e-mails regarding investigation of potential claims (.60).	1.60	888.00
05/07/10	M. Pinkston	Conference with J. DeJonker and J. Sowka regarding case status.	0.10	29.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/07/10	J. Sowka	Confer with G. Paloian regarding revisions to coordination agreement and settlement conference with SEC and U.S. Attorney's Office regarding administration of assets (.30); confer with V. Lazar and C. Robertson regarding same (.50); various telephone conferences with S. Rasnak of the U.S. Trustee's Office regarding same (.80); draft email to A. Cotter and M. Shah regarding template for proposed settlement agreement (.20); conduct settlement conference with SEC and U.S. Attorney's Office (1.10); confer with G. Paloian regarding terms of coordination agreement (.60); revise coordination agreement (2.60); confer with G. Silver regarding coordination agreement (.30); confer with G. Paloian regarding additional revisions to coordination agreement (.20); confer with B. Roche regarding additional revisions to same (.10); review and analysis of various motions to determine value of and identify frozen and seized assets (.40); review and revise coordination agreement (.80); draft email to SEC and U.S. Attorney's Office regarding same (.20).	8.10	2,632.50
05/07/10	J. McManus	Revise motion to modify order approving use of funds outside of the estate.	0.80	188.00
05/10/10	J. DeJonker	Review and analyze recent pleadings filed in Canopy bankruptcy case.	④ 0.10	44.00 -44
05/11/10	J. Sowka	Call with G. Paloian, J. Marwil and M. Firestein regarding Spectrum's position as to coordination agreement (.50); review email from G. Paloian regarding same (.10); draft email to SEC and U.S. Attorney's Office regarding discussions with Spectrum and implementation of coordination agreement (.20); exchange E-mails with A. Cotter of the SEC regarding pending request for approval to enter into the coordination agreement (.10); exchange E-mails with M. Shas of the U.S. Attorney's Office regarding call to discuss coordination agreement (.10).	1.00	325.00
05/11/10	J. McManus	Revise Motion to Modify Order Authorizing the Use of Funds Outside of the Estate.	0.70	164.50
05/12/10	J. Sowka	Prepare for hearing on application to employ Legalpeople including review of application and court call (.20); draft email to R. Sukley of the U.S. Trustee's Office regarding same (.10); appear in court and present application (.40); draft email to G. Paloian and Legalpeople regarding court's granting of application to employ (.10); confer with R. Sukley regarding retention of Legalpeople and status of coordination agreement (.20).	1.00	325.00

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/12/10	J. McManus	Draft Order for approval to use funds outside of the Estate (.20); prepare notice of filing and certificate of service regarding same (.10); prepare supplemental retention affidavit (.40).	0.70	164.50
05/13/10	J. Sowka	Review and analyze order granting application to employ Legalpeople (.10); draft email to G. Paloian et al. regarding same (.10); review and revise motion to modify order approving use of funds outside of the ordinary course for Guidance to image computers (.30).	0.50	162.50
			④ -1.10	-32.5
05/13/10	J. McManus	Finalize motion to modify order for approval to use funds outside of the Estate.	0.40	94.00
05/13/10	J. DeJonker	Review and analyze recent pleadings and motions filed in Canopy bankruptcy case (.10); exchange E-mails with J. Switzer, et al., regarding improperly served proof of claim (.10).	0.20	88.00
			④ -1.10	-44
05/14/10	J. Sowka	Review and revise motion to amend order approving use of funds to pay Guidance for electronic data imaging (.20); confer with J. McManus regarding same (.10).	0.30	97.50
05/17/10	J. Sowka	Conference call with G. Paloian, SEC, U.S. Attorney's Office and Spectrum regarding coordination agreement (.50); confer with G. Paloian and B. Roche regarding next steps to pursue agreement with the U.S. Attorney's Office and SEC (.30); exchange E-mails with R. Sukley regarding call to discuss coordination agreement (.10).	0.90	292.50
05/17/10	J. McManus	Cause Motion to Modify Order Approving the Use of Estate Funds Outside of the Ordinary Course to be filed with the Court (.20); oversee service of same (.10).	0.30	70.50
05/17/10	N. Bouchard	Review Chris Robertson pro hac vice application for A. Banas.	0.20	25.00
05/17/10	J. DeJonker	Review and analyze recent pleadings and motions filed in Canopy bankruptcy case.	0.10	44.00
			④	-44
05/18/10	J. DeJonker	Review and analyze recent pleadings and motions filed in Canopy bankruptcy case.	0.10	44.00
			④	-44
05/19/10	G. Paloian	Review correspondence from counsel for D&O insurer regarding coverage questions (.40); telephone conference with C. Robertson regarding V. Kashyap and coverage issues (.50).	0.90	499.50
05/19/10	J. DeJonker	Review and analyze recent pleadings and motions filed in Canopy bankruptcy case.	0.10	44.00
			④	-44
05/20/10	G. Paloian	Telephone conferences with C. Robertson regarding D&O carrier coverage issues and V. Kashyap settlement issues (.60); review company/Wilson Sonsini/FT e-mails regarding due diligence and claims investigation (.10); review motion for a preliminary injunction against Banas (.40).	1.10	610.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/20/10	J. Sowka	Confer with B. Roche regarding 2004 sharing agreement with Coventry (.10); draft email to B. Roche regarding same (.10); confer with G. Paloian regarding email to SEC and AUSA's regarding implementation of coordination agreement (.10).	0.30	97.50
05/20/10	J. McManus	Prepare case status report.	0.40	94.00
05/20/10	J. DeJonker	Review and analyze recent pleadings filed in Canopy bankruptcy case.	0.10 ④	44.00 -44
05/21/10	J. Sowka	Draft correspondence to SEC and AUSA's regarding proposed coordination agreement and avoidance of duplication of efforts on asset recoveries (1.00); various conferences with G. Paloian regarding revisions to same (.20); review and revise same (.40).	1.60	520.00
05/24/10	J. Sowka	Draft email to attorneys for SEC and U.S. Attorneys regarding call to proposed coordination agreement (.20); confer with G. Paloian regarding coordination agreement and call (.10).	0.30	97.50
05/25/10	J. Sowka	Review E-mails from M. Shah and S. Zimdahl regarding call to address coordination agreement (.10); draft email to G. Paloian regarding same (.10).	0.20	65.00
05/26/10	J. Sowka	Review email from A. Cotter regarding call to discuss coordination agreement (.10); exchange E-mails with G. Paloian regarding call with SEC and AUSA's to discuss coordination agreement (.10); review prior correspondence and coordination agreement in preparation for call on same (.40); call with G. Paloian et al. regarding coordination agreement (.50).	1.10	357.50
05/26/10	J. DeJonker	Review and analyze recent pleadings and motions filed in Canopy bankruptcy case.	0.10 ④	44.00 -44
05/28/10	G. Paloian	Review e-mails from R. Angart and Matrix counsel regarding Matrix setoff of expense against Canopy quarterly fee.	0.20	111.00
06/01/10	J. McManus	Prepare Pro Hac Vice Application for C. Robertson (.20); cause same to be filed with the Court (.20).	0.40	94.00
06/02/10	J. Sowka	Review and analyze supplemental Rule 2004 motion and motion to modify order granting use of funds outside of the ordinary course in preparation for hearing on same (.20); appear in court and present motions (.60); confer with N. Bouchard regarding entry of orders (.10); confer with counsel L. Khorshid regarding procedures related to rule 2004 order and discovery (.10); review email from M. Pinciak regarding lists of assets surrendered by J. Bartlett (.10).	1.10	357.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/04/10	J. Sowka	Exchange e-mails with G. Paloian regarding payment of invoices for Legalpeople (.10); review correspondence from M. Shah regarding coordination agreement (.10); review email from G. Paloian regarding same (.10); review email from A. Cotter regarding same (.10).	0.40	130.00
06/07/10	J. McManus	Review motion regarding utilities companies deposit (.20); investigate means for withdrawal of deposit (.20).	0.40	94.00
06/08/10	J. Sowka	Confer with G. Paloian regarding revisions to coordination agreement.	0.10	32.50
06/09/10	G. Paloian	Conference with J. Sowka regarding revisions to coordination agreement (.10); review coordination agreement (.20).	0.30	166.50
06/09/10	J. Sowka	Confer with G. Paloian regarding revisions to coordination agreement (.10); review email from G. Paloian regarding same (.10).	0.20	65.00
06/10/10	J. Sowka	Revise coordination agreement to reflect interim agreement with U.S. Attorney's Office (1.60); draft email to G. Paloian regarding same (.10); confer with G. Paloian regarding revisions to coordination agreement (.10); make additional revisions to coordination agreement (.30); draft email to A. Cotter of the SEC regarding revisions to the coordination agreement (.10).	2.20	715.00
06/11/10	J. Sowka	Revise coordination agreement pursuant to comments from G. Paloian (.30); draft email to A. Cotter regarding same (.10).	0.40	130.00
06/15/10	N. Bouchard	Communications with G. Paloian regarding retention of Minnesota counsel for purposes of recording judgment lien against certain properties (.10); provide property information to counsel in Minnesota (.30); begin draft retention application regarding same (.40).	0.80	100.00
06/16/10	G. Paloian	Conference with J. Sowka regarding Auto Sales motion.	0.20	111.00
06/16/10	J. McManus	Research utility deposit withdrawal.	0.20	47.00
06/16/10	N. Bouchard	Prepare retention application for Winthrop & Weinstein as special counsel in Minnesota for G. Paloian.	0.30	37.50
06/17/10	J. McManus	Draft retention motion for Minnesota counsel.	0.50	117.50
06/17/10	N. Bouchard	Prepare retention application for Minnesota counsel to record Blackburn judgment lien against properties owned by same.	1.30	162.50
06/18/10	N. Bouchard	Finalize retention application and supporting declaration for Minnesota counsel (1.40); e-mail same to Mike Rosow in Minnesota for review (.10).	1.50	187.50
06/18/10	J. DeJonker	Review and analyze various pleadings filed in Canopy bankruptcy case. (4)	0.10	44.00 -44
06/21/10	G. Paloian	Revise application to retain Minnesota counsel.	0.30	166.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/21/10	J. Sowka	Confer with G. Paloian regarding status of coordination agreement with SEC.	0.10	32.50
06/21/10	N. Bouchard	E-mail correspondence to Mike Rosow for review of revised retention application and supporting declaration regarding retention of Minnesota counsel.	0.10	12.50
06/22/10	J. Sowka	Review and analyze weekly invoice from Legalpeople (.10); draft email to J. McManus regarding same (.10).	0.20	65.00
06/25/10	A. Shepro	Sorting Canopy Financial mail into specific folders and compiling related bank statements and invoices.	1.20	96.00
06/28/10	G. Paloian	Review action to reduce redemption period for Minnesota property (.30); review Alvarez balance sheet adjustments (.30).	0.60	333.00
06/28/10	J. McManus	Draft motion to retain automobile liquidator (.60); confer with J. Sowka regarding same (.10).	0.70	164.50
06/29/10	J. Sowka	Review fee invoice from A. Rein of Legalpeople and exchange E-mails regarding same (.10); confer with J. McManus regarding procedure to withdraw utility deposits (.10); revise motion to retain vehicle fleet liquidator (1.10) confer with G. Paloian regarding same (.10); confer with J. McManus regarding preparation of declaration to accompany motion to retain vehicle fleet liquidator (.10).	1.50	487.50
			Ⓣ	-3.25
06/29/10	J. McManus	Review Affidavits and Declarations regarding preparation of motion to retain automobile liquidator for J. Sowka (.30); review retention agreements (.30); confer with J. Sowka regarding same (.10).	0.70	164.50
TOTAL			122.60	\$39,250.50
				\$ -2,038.30

FEE APPLICATIONS

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/01/10	J. McManus	Prepare Fee Application. (4)	1.40	329.00 -329
03/05/10	J. McManus	Prepare Fee Application (.80); confer with G. Paloian regarding same (.10). (4)	0.90	211.50 -188
03/06/10	G. Paloian	Prepare fee application. (4)	0.60	333.00 -333
03/08/10	J. McManus	Revise Fee Application exhibits.	1.20	282.00
03/09/10	J. McManus	Revise Seyfarth Fee Application (.60); confer with G. Paloian regarding same (.10).	0.70	164.50
03/10/10	G. Paloian	Prepare fee application. (4)	1.60	888.00 -888
03/10/10	J. McManus	Confer with G. Paloian regarding fee application.	0.30	70.50
03/16/10	J. McManus	Revise Fee Application per G. Paloian's edits.	0.70	164.50
03/19/10	G. Paloian	Prepare fee application. (4)	1.30	721.50 -721.5
03/22/10	G. Paloian	Prepare fee application. (4)	1.20	666.00 -666
03/22/10	J. McManus	Review and revise fee application per G. Paloian edits (.70); confer with G. Paloian regarding same (.10).	0.80	188.00
03/23/10	J. McManus	Prepare Fee Application. (4)	0.70	164.50 -164.5
03/24/10	J. Sowka	Confer with G. Paloian regarding status fee application preparation.	0.10	32.50
03/26/10	J. McManus	Review fee application edits (.20); prepare Fee Application (.50). (4)	0.70	164.50 -117.5
03/29/10	J. McManus	Prepare pleading portion of Seyfarth Fee Application (.80); prepare Fee Application exhibits (3.10); create fee application category charts (.50); prepare summary of professionals chart (.50); prepare creditor matrix for Fee Application service (.80).	5.70	1,339.50
03/30/10	G. Paloian	Prepare fee application. (4)	0.80	444.00 -444
03/30/10	J. McManus	Revise pleading portion of Seyfarth Fee Application (.50); revise Fee Application exhibits (2.80); revise spreadsheets (.70); revise fee category charts (.80).	4.80	1,128.00
03/31/10	J. McManus	Extensive revisions to Seyfarth Fee Application Exhibits 2 and 3 (3.80); revise pleading portion of Fee Application (.80).	4.60	1,081.00
04/01/10	G. Paloian	Prepare fee application. (4)	1.00	555.00 -555
04/01/10	J. McManus	Revise Exhibit portion of Fee Application (3.70); review detail for redaction purposes (.50); revise fee application professional and task charts (.80).	5.00	1,175.00
04/02/10	G. Paloian	Prepare fee application (.90); revise fee application (.60). (4)	1.50	832.50 -499.5

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>	
04/02/10	J. McManus	Revise Exhibit 2 to Seyfarth Fee Application (.80); confer with G. Paloian regarding same (.20); revise Fee Application (1.10).	2.10	493.50	
04/05/10	J. McManus	Review and revise Exhibit 2 to Seyfarth Fee Application.	1.00	235.00	
04/06/10	J. McManus	Revise Fee Application.	1.20	282.00	
04/07/10	J. McManus	Revise Exhibit 2 to Seyfarth Fee Application.	1.80	423.00	
04/08/10	J. McManus	Revise Seyfarth Fee Application (1.60); revise Exhibit 2 (1.00).	2.60	611.00	
04/08/10	N. Bouchard	Extensive review of fee application exhibits.	1.20	150.00	
04/09/10	J. McManus	Review and Revise Seyfarth Fee Application (1.10); review and revise Exhibit 2 (2.10).	3.20	752.00	
04/09/10	N. Bouchard	Extensive review of fee application exhibits (3.10); discuss same with J. McManus (.30).	3.40	425.00	
04/13/10	G. Paloian	Prepare fee applications. (A)	0.10	55.50	-55.5
04/13/10	J. Sowka	Review and revise time detail in application for compensation of Seyfarth Shaw.	1.50	487.50	
04/13/10	J. McManus	Revise Fee Applications.	3.00	705.00	
04/14/10	J. McManus	Finalize Seyfarth Fee Application (2.20); assemble Exhibit 1 (.20); revise Exhibit 2 (2.20); revise Exhibit 3 (.70); cause Fee Application to be filed with the Court (.50); oversee service of same (.20).	6.00	1,410.00	
04/14/10	N. Bouchard	Final review of fee application in preparation for filing of same (1.30); assist with assembly of exhibits regarding same (.30).	1.60	200.00	
05/05/10	J. McManus	Review fee application detail for Second Interim Application.	0.30	70.50	
05/11/10	G. Paloian	Appear in court on Seyfarth and Trustee fee applications (.70); conference with J. McManus regarding findings of fact and supplemental fee applications (.20).	0.90	499.50	
05/11/10	J. Sowka	Review Seyfarth and Trustee fee applications in preparation for hearing on same (.20); appear in court for hearing on Seyfarth and Trustee fee applications (.70); confer with N. Bouchard regarding filing of amended Seyfarth fee application to correct deficiencies cited by Court (.10); review email from J. McManus regarding preparation of amended fee application (.10).	1.10	357.50	
05/19/10	J. McManus	Revise Supplement to Seyfarth's First Fee Application.	1.40	329.00	
05/21/10	J. McManus	Substantive review of fee application detail for second interim fee application.	1.30	305.50	

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/27/10	J. McManus	Confer with G. Paloian regarding status of preparation of second interim fee application and supplemental fee application for first interim request (.20); prepare supplemental Seyfarth fee application (.70); prepare Exhibit 1 to Seyfarth Second Fee Application (.90).	1.80	423.00
05/28/10	J. McManus	Review and revise Fee Application (1.00); confer with G. Paloian regarding same (.10).	1.10	258.50
06/01/10	J. McManus	Confer with G. Paloian regarding status of fee application preparation (.10); prepare fee application (.70).	0.80	188.00
06/03/10	J. McManus	Revise litigation section of fee application (.80); conferences with G. Paloian and S. Knight regarding same (.20).	1.00	235.00
06/07/10	G. Paloian	Prepare fee application. (4)	1.00	555.00 -555
06/07/10	J. McManus	Confer with G. Paloian regarding fee application preparation.	0.10	23.50
06/08/10	J. McManus	Review G. Paloian edits to fee application (.10); discuss same (.10); revise fee application (.50).	0.70	164.50
06/18/10	G. Paloian	Prepare fee application. (4)	0.40	222.00 -222
06/23/10	G. Paloian	Prepare fee application. (4)	0.80	444.00 -444
06/24/10	G. Paloian	Prepare fee application. (4)	2.20	1,221.00 -1221
06/25/10	G. Paloian	Prepare fee application. (4)	0.30	166.50 -166.5
06/28/10	J. McManus	Confer with G. Paloian regarding status of second interim fee application (.30); review reports regarding same (.30); extensive review of Exhibit portion of Fee Application (2.00); revise same (.60).	3.20	752.00
06/29/10	J. McManus	Prepare Fee Application. (4)	1.80	423.00 -423
06/30/10	G. Paloian	Conference with J. McManus regarding fee application.	1.10	610.50
06/30/10	J. McManus	Prepare Supplemental Fee Application (.80); revise detail exhibit to Second Interim Fee Application (.90); multiple conferences with G. Paloian regarding same (.20).	1.90	446.50
TOTAL			87.50	\$24,859.50

\$7,883

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CLAIMS ADMINISTRATION AND ANALYSIS

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/01/10	G. Paloian	Review request for administrative treatment of lease claim.	0.30	166.50
03/02/10	J. Sowka	Review and analyze demand letter sent for GRE for payment of administrative rent claims (.20); review and analyze application filed by GRE for allowance of chapter 7 administrative rent claim (.40); review and analyze application filed by GRE for allowance of chapter 11 administrative rent claim (.30); legal analysis regarding administrative rent claims (.80); draft email to G. Paloian regarding same (.40); confer with G. Paloian regarding same (.10).	2.20	715.00
03/17/10	J. McManus	Review additional recently filed administrative and priority claims.	0.40	94.00
04/29/10	J. DeJonker	Conference with G. Paloian regarding assignment of claims to DeWitt Group (.20); review and analyze transfer of claims to DeWitt Stern Group (.20).	0.40	176.00
05/05/10	J. Sowka	Exchange E-mails with R. Angart regarding claims bar date.	0.10	32.50
05/06/10	G. Paloian	Review register of claims (.70); communications with Coventry counsel regarding duplicate claims (.40).	1.10	610.50
05/07/10	G. Paloian	Investigation of claims (.50); communication with N. Calton regarding Coventry account holders and examination of potential claims duplication (.20)	0.70	388.50
05/07/10	N. Bouchard	Review claims register to determine if Coventry customers filed individual proofs of claims for G. Paloian.	0.40	50.00
05/20/10	J. McManus	Review additional late filed claims (.40); confer with G. Paloian regarding strategy for claims review and analysis (.10); retrieve duplicate claims (.20).	0.70	164.50
05/21/10	J. McManus	Review claims (.30); respond to claimants (.10).	0.40	94.00
05/25/10	J. McManus	Review claims (.80); confer with G. Paloian regarding late filed claims and analysis of all claims (.20).	1.00	235.00
05/26/10	G. Paloian	Conference with J. McManus regarding Trustee scope of claim on behalf of non filed HSA holders.	0.10	55.50
05/27/10	J. McManus	Review claims (.30); organize review and comparison of HISA accountholders listing with claims register (.20); confer with G. Paloian regarding same (.10).	0.60	141.00
05/28/10	J. McManus	Review claims (.40); confer with G. Paloian regarding status of determining what HSA accountholders did not file claims (.10).	0.50	117.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/01/10	J. McManus	Prepare Trustee's Proof of Claim (1.00); review and compare list of 1800 HSA account holders to claims register (934 claims) (.60).	1.60	376.00
06/02/10	J. McManus	Prepare Trustee claim (1.20); conferences regarding same (.20) 4	1.40	329.00
06/07/10	J. McManus	Review finalized spreadsheet of HSA accountholders for which claims must be filed by the Trustee (.80); revise spreadsheet (.40); research claim of Trustee on behalf of multiple parties (.40); confer with J. Sowka regarding same (.20).	1.80	423.00
06/08/10	J. McManus	Investigate number of claims filed by HSA accountholders (.20); confer with G. Paloian regarding same (.10); research regarding Trustee's authority to file group claim (.20); revise draft claim (.40).	0.90	211.50
06/09/10	G. Paloian	Conference with J. McManus regarding Trustee proof of claim on behalf of HSA accountholders.	0.30	166.50
06/09/10	J. Sowka	Confer with J. McManus regarding filing of claims on behalf of HSA account holders (.10); review email from G. Paloian regarding same (.10).	0.20	65.00
06/09/10	J. McManus	Revise addendum to attachment 1 to Proof of Claim (.40); confer with A. Shepro regarding same (.10); communications with G. Paloian and J. Sowka claim preparation (.20).	0.70	164.50
06/10/10	J. Sowka	Legal research regarding filing of HSA creditor claims by the trustee subsequent to claims bar date (1.80); confer with J. McManus regarding procedures for same (.20); confer with G. Paloian regarding same (.10).	2.10	682.50
06/10/10	J. McManus	Prepare and revise Exhibits to Trustee's Proof of Claim for 1121 entities (1.20); conference with G. Paloian regarding same (.20).	1.40	329.00
06/11/10	J. McManus	Prepare and revise Proof of Claim on behalf of account holders (.40); revise Attachment 1 (.50); revise Addendum to Attachment 1 (spreadsheet of 1121 accountholders) (1.20); confer with J. Sowka regarding claim (.20).	2.30	540.50
06/11/10	A. Shepro	Review and complete proof of claims form for Canopy Financial.	0.50	40.00
06/11/10	J. Sowka	Review and HSA account holder claim to be filed by trustee.	0.10	32.50
06/14/10	J. Sowka	Review and revise trustee's proof of claim filed on behalf of account holders (.10); various conferences with J. McManus regarding revisions to same (.20).	0.30	97.50

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<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/14/10	J. McManus	Telephone conference with Bankruptcy Court regarding format of Trustee's Proof of Claim (.10); revise Attachment 1 to Trustee's Proof of Claim (.40); revise Exhibit A (spreadsheet of 1121 accountholders) to same (.40); assemble claim and attachments for filing (.20); prepare Notice of Filing of Proof of Claim (.20); revise Service List regarding for Notice (.20); cause Trustee's Proof of Claim and Notice regarding same to be filed with the Court (.40).>	1.90	446.50
			② only .3 hrs allowed	-23.5
06/25/10	G. Paloian	Review IRS amended draft claim and R. Angart status report on reduction of IRS claim.	0.50	277.50
TOTAL			24.90	\$7,222.00
				① -70.5

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EMPLOYEE BENEFITS/PENSION

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
04/02/10	W. A. Douglass	Review 401(k) plan account information and plan documents regarding plan termination issues.	0.50	197.50
04/05/10	W. A. Douglass	Conference with J. Sowka regarding 401(k) plan termination issues (.10); voicemail to Paychex account representative regarding same (.10); review plan documents and account summaries (.30).	0.50	197.50
04/08/10	W. A. Douglass	Conference call with R. Angart regarding 401(k) refund issues (.20); research regarding same (.30); follow up call to R. Angart regarding 401(k) issues (.20).	0.70	276.50
04/12/10	W. A. Douglass	Conference call with R. Angart regarding 401(k) plan termination resolutions (.10); review resolutions (.30); response e-mail to R. Angart (.10).	0.50	197.50
04/14/10	J. Sowka	Review and revise 401(k) plan termination notices (.20); draft email to G. Paloian and A. Douglass regarding same (.10).	0.30	97.50
04/14/10	W. A. Douglass	Revise 401(k) plan termination resolutions (.50); revise participant notice (.50); e-mail revised drafts to G. Paloian (.10); e-mail to R. Angart (.10).	1.20	474.00
04/15/10	W. A. Douglass	Review executed resolutions and participant notice for 401(k) plan termination (.10); e-mail to R. Angart regarding same (.10).	0.20	79.00
04/20/10	W. A. Douglass	Review DOL subpoena for 401(k) plan (.30); conference call and e-mails with R. Angart regarding same (.20).	0.50	197.50
04/21/10	W. A. Douglass	Review revised 401(k) plan document and trustee appointment (.50); e-mails with G. Paloian regarding same (.20).	0.70	276.50
04/30/10	W. A. Douglass	Draft resolutions for approval of new trustee for 401(k) plan (.10); review prior plan documents regarding same (.20).	0.30	118.50
05/17/10	W. A. Douglass	Revise resolutions for approval of new trustee for 401(k) plan (.20); e-mail to G. Paloian and J. Sowka regarding same (.10).	0.30	118.50
05/18/10	J. Sowka	Review and analyze resolution appointing R. Angart as trustee of the 401(k) plan (.10); draft email to G. Paloian and A. Douglass regarding same (.10).	0.20	65.00
06/01/10	W. A. Douglass	Review e-mail from R. Angart regarding Form 5500 for 401(k) plan (.10); review Form 5500 draft (.90).	1.00	395.00
06/03/10	W. A. Douglass	Review draft of 2009 Form 5500 for 401(k) plan (.40); review draft summary annual report (.40); e-mails with R. Angart regarding same (.20).	1.00	395.00
TOTAL			7.90	\$3,085.50

(4)

-39.5

-39.5

CREDITOR INQUIRIES & COMMUNICATIONS

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/01/10	N. Bouchard	Revise list of HSA customer inquiries for G. Paloian (.60); circulate same to J. Sowka, R. Angart, J. DeJonker and Vince Lazar (.10); e-mail correspondence to G. Paloian regarding concerns from Shawnee Administration vice president (.20); attend to multiple calls from HSA customers regarding case status (.30).>	1.20	150.00
			(74)	-37.5
03/02/10	N. Bouchard	Attend to calls from creditors and/or HSA customers regarding case status.	0.30	37.50
			(74)	-37.5
03/03/10	J. McManus	Respond to creditor inquiries.	0.20	47.00
			(74)	-47
03/03/10	N. Bouchard	Review feedback to hotline questions/answers and discuss same with G. Paloian (.30); revise list regarding same and circulate for further feedback (.90).>	1.20	150.00
			(7)	-15
03/04/10	R. Lutkus	Research, sign-up for hosting, and register domain name for canopybankruptcyestate.com (.80); meeting with J. McManus to discuss claim database setup for canopybankruptcyestate.com website (.20); develop conceptual website layout and functionality approach for website development and implementation of claims lookup table (.50).	1.50	457.50
03/05/10	R. Lutkus	Review e-mail and attachments from J. McManus to evaluate creation of MySQL database from .DBF files exported from EPIQ Pacer interface software (1.00); analyze folder volumes and e-mail for "VIP list" custodians to determine amount of data needing processing and summarize in spreadsheet (1.20).	2.20	671.00
03/05/10	J. McManus	Review filed claims (.20); multiple communications with R. Lutkus regarding formation of claims website (.30); prepare initial claims download (.40).	0.90	211.50
			(74)	-70.5
03/08/10	N. Bouchard	Attend to phone calls from HSA customers regarding procedures for filing proofs of claims.	0.20	25.00
			(74)	-25
03/09/10	J. McManus	Discuss preparation of claims website for claimant use with R. Lutkus.	0.20	47.00
03/09/10	N. Bouchard	Attend to multiple phone calls from HSA customers and/or creditors regarding procedures for filing claims.	0.60	75.00
			(74)	-75
03/10/10	N. Bouchard	Attend to phone calls with HSA account holders regarding procedures for filing claims (.20); phone calls with HSA customers regarding case status.	0.40	50.00
			(74)	-50
03/11/10	N. Bouchard	Return multiple phone calls to HSA customers and/or creditors regarding questions on claims procedures.	0.60	75.00
			(74)	-75
03/15/10	J. McManus	Respond to claimant inquiries regarding HSA payouts (.60); discuss same with J. Sowka (.10); assist R. Lutkus with preparation of claimants informational website (.80).	1.50	352.50
			(74)	-141

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/15/10	N. Bouchard	Attend to phone calls regarding procedures for filing claims. (A) (7)	0.30	37.50 -37.5
03/16/10	R. Lutkus	Teleconference with R. Angart regarding remote server access and website status (.50); setup canopybankruptcyestate.com (.50); perform website design and coding of FAQ and claim lookup script (4.80).	5.80	1,769.00
03/16/10	J. McManus	Download claims into DBF format in preparation for launching claimants' website.	0.60	141.00
03/16/10	N. Bouchard	Attend to phone calls from HSA customers regarding procedures for filing claims (.30); review claims register to confirm filing of claims by creditor (.20). (A) (7)	0.50	62.50 -37.5
03/17/10	J. Sowka	Review and analyze proposed Q&A for creditor claims website. (A) (7)	0.10	32.50
03/17/10	J. McManus	Respond to claimant inquiries (.30); conference with J. Sowka regarding launching of claimant website (.10). (A) (7)	0.40	94.00 -70.5
03/17/10	N. Bouchard	Attend to telephone calls from HSA customers regarding procedures for filing claims (.10); attend to telephone inquiries regarding case status (.20). (A) (7)	0.30	37.50 -37.5
03/18/10	N. Bouchard	Attend to telephone inquiries regarding case status. (A) (7)	0.10	12.50 -12.5
03/19/10	J. Sowka	Place call to R. Lutkus regarding construction of website for consumers to monitor the status of claims.	0.10	32.50
03/22/10	N. Bouchard	Attend to creditor phone call regarding case status. (A)	0.10	12.50 -12.5
03/23/10	N. Bouchard	Attend to calls from HSA customers regarding procedures and inquires on filing claims. (A) (7)	0.30	37.50 -37.5
03/29/10	N. Bouchard	Attend to calls from HSA customers regarding procedures for filing claims. (A) (7)	0.30	37.50 -37.5
03/30/10	N. Bouchard	Attend to inquiries from HSA customers and/or creditors regarding claims status and filing procedures. (A) (7)	0.40	50.00 -50
03/31/10	N. Bouchard	Attend to multiple calls from creditors and/or HSA customers regarding procedures for filing claims. (A) (7)	0.60	75.00 -75
04/07/10	J. McManus	Respond to HSA claimant calls. (A) (7)	0.30	70.50 -70.5
04/07/10	N. Bouchard	Attend to phone call from creditor regarding deadline to file a proof of claim. (A)	0.10	12.50 -12.5
04/08/10	R. Lutkus	Draft disclaimer language for Canopy claims website.	0.50	152.50
04/16/10	J. McManus	Communications with R. Angart, J. Ingram and R. Lutkus regarding loading data for HSA accountholder website (.30); test-run download of data to HSA accountholder website (.30); review HSA accountholder address spreadsheet (.20).	0.80	188.00

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
04/19/10	N. Bouchard	Review claims register regarding confirmation that proof of claim was filed (.10); phone call to claimant regarding same (.10).	0.20	25.00
		(4)		-12.5
04/21/10	J. McManus	Respond to claimant and creditor inquiries regarding case status issues.	0.50	117.50
		(4)(7)		-117.5
04/22/10	J. McManus	Revise format of information for HSA account holder website (.20); confer with R. Lutkus regarding same (.10).	0.30	70.50
04/22/10	N. Bouchard	Attend to phone call from HSA customer regarding case status.	0.10	12.50
		(4)		-12.5
04/23/10	R. Lutkus	Review letter to creditors regarding website and draft comment reply regarding the same.	0.20	61.00
04/26/10	R. Lutkus	Convert claims database from DBF file to MySQL file for importing to claims database (1.10); update claims website with language regarding search term usage (.70); teleconference with J. McManus requesting claim lookup testing for quality control assessment (.10).	1.90	579.50
04/26/10	J. McManus	Test account holder website for accuracy (.20); confer with R. Lutkus regarding same (.10).	0.30	70.50
04/26/10	J. McManus	Respond to HSA claimant calls.	0.20	47.00
		(4)(7)		-47
04/26/10	N. Bouchard	Attend to creditor phone calls regarding procedures for filing proofs of claims.	0.20	25.00
		(4)(7)		-25
04/27/10	R. Lutkus	Setup question/answer mailbox at canopybankruptcyestate.com domain.	0.40	122.00
04/30/10	N. Bouchard	Attend to phone calls from HSA customers regarding procedures for filing proofs of claims.	0.20	25.00
		(4)(7)		-25
05/03/10	N. Bouchard	Attend to phone call from HSA customer regarding procedures for filing proof of claim.	0.10	12.50
		(4)		-12.5
05/04/10	G. Paloian	Conference with N. Bouchard regarding HSA holder complaints.	0.40	222.00
05/04/10	J. Sowka	Call with HSA account holder regarding filing of claim and updating address.	0.10	32.50
		(4)		-32.5
05/04/10	N. Bouchard	Attend to multiple phone calls from creditors and HSA customers regarding case status.	0.40	50.00
		(4)(7)		-50
05/05/10	R. Lutkus	Perform quality control assessment on claim database dump prior to updating claims website (.80); draft e-mail to J. McManus requesting full field export for claims database update (.10); update Canopy claims database with most current information (.70).	1.60	488.00
05/05/10	N. Bouchard	Attend to calls from HSA customers regarding procedures for filing claims (.20); review claims register regarding same (.10).	0.30	37.50
		(4)(7)		-37.5

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/06/10	N. Bouchard	Attend to phone calls from claimants and HSA customers regarding procedures for filing claims (.30); prepare reports of claims filed by class for G. Paloian (.30); prepare spreadsheet of various unsecured claims for same (1.00).	1.60	200.00
			(47)	-37.5
05/10/10	R. Lutkus	Enable "Contact Us" page on www.canopybankruptcyestate.com site (.40); install SPAM filtering add-on to website to ensure no malicious use of content form by website visitors that would result in manual de-spamming of Trustee inbox (.90).	1.30	396.50
05/11/10	G. Paloian	Review email from Kay Chaveles of ISU regarding accountholder information (.20); telephone conference with R. Angart regarding same (.30).	0.50	277.50
05/11/10	R. Lutkus	Perform quality control assessment on claim database dump prior to updating claims website (.50); convert DBF database file to SQL text file (.30); update Canopy claims database with most current information (.70).	1.50	457.50
05/11/10	J. McManus	Update Canopy claims for R. Lutkus (.20); respond to webmail inquiries regarding claim status (.20).	0.40	94.00
			(47)	-47
05/11/10	N. Bouchard	Attend to various phone calls from creditors and HSA customers regarding procedures for filing proofs of claims (.30); review claims register regarding confirmation of filing for creditors (.20).	0.50	62.50
			(47)	-37.5
05/12/10	N. Bouchard	Attend to phone calls from HSA customers regarding procedures for filing proofs of claims.	0.20	25.00
			(47)	-25
05/13/10	J. McManus	Review claims and webmail on claims website.	(4) 0.20	47.00
				-47
05/13/10	N. Bouchard	Attend to calls from HSA customers regarding procedures for filing claims.	(47) 0.20	25.00
				-25
05/20/10	G. Paloian	Review e-mail from creditor (Shawnee Admin Services) regarding closure of Amcore and respond.	0.30	166.50
05/20/10	J. Sowka	Review email from N. Bouchard regarding impact of FDIC insurance on custodial accounts (.10); research regarding same (.10); draft email to N. Bouchard and G. Paloian regarding same (.10).	0.30	97.50
05/21/10	N. Bouchard	Attend to calls from HSA customer regarding filing late claim.	(4) 0.20	25.00
				-25
05/24/10	N. Bouchard	Phone conversation with HSA customer regarding filing of a late proof of claim.	(4) 0.10	12.50
				-12.5
06/07/10	R. Lutkus	Perform quality control assessment on claim database dump prior to updating claims website (.50); convert DBF database file to SQL text file (.30); update Canopy claims database with most current information (.70).	1.50	457.50
06/07/10	J. McManus	Export claims to DBF for R. Lutkus for website update.	0.10	23.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/15/10	J. McManus	Import additional claims into TCMS, including Trustee's claim (.20); confer with R. Lutkus regarding website update (.10).	0.30	70.50
06/23/10	A. Shepro	Review Canopy website and claims submission for Canopy account holders and employees with J. McManus.	0.30	24.00
06/24/10	R. Lutkus	Update bankruptcy estate website with new version of backend software (.30); upgrade website database to new version (.20); create new website page including details of judgment against J. Blackburn (1.40); update website to include group claim filing on behalf of all claimants who failed to file a claim by May deadline (.30).	2.20	671.00
06/24/10	J. McManus	Review and retrieve webmail (.10); confer with A. Shepro regarding same (.10); export to DBF for R. Lutkus in preparation for website update (.20).	0.40	94.00
			(4)	-23.5
06/24/10	A. Shepro	Confirm claims filed by account holders from Canopy on Pacer (.10); draft summary for Canopy website in relation to claim 938 filed by G. Paloian on 6/14/2010 (.20).	0.30	24.00
06/25/10	R. Lutkus	Perform quality control assessment on claim database dump prior to updating claims website (.50); convert DBF database file to SQL text file (.30); update Canopy claims database with most current information (.70).	1.50	457.50
06/25/10	J. McManus	Conference with G. Paloian regarding website updates (.10); review website regarding same (.10); revise claim information (.10); telephone conferences with account holders regarding website update (.10).	0.40	94.00
			(4)	-23.5
06/30/10	J. McManus	Review claims register for website update (.10); revise HSA claims spreadsheet (.20).	0.30	70.50
TOTAL			44.60	\$11,075.00
				(- \$1,740)

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/03/10	R. Johnson	Follow up on the valuation for the Blackburn house (.30); telephone call to B. Roche (.10). ④	0.40	222.00 -55.5
05/04/10	R. Johnson	Follow up on the valuation for the Blackburn house (.40); telephone call to B. Roche regarding same (.20); research regarding valuation of the property (.70).	1.30	721.50
04/20/10	J. Sowka	Review e-mail from G. Paloian regarding agreement with SEC to sell real property.	0.10	32.50
05/05/10	R. Johnson	Review the real estate records for evidence of equity.	0.70	388.50
05/06/10	R. Johnson	Follow up on the title report and the valuation of the property. ④	0.50	277.50 -277.5
05/07/10	R. Johnson	Follow up with A. Leet on the title report and the valuation of the property.	0.90	499.50
05/10/10	R. Johnson	Review the title report and report to B. Roche on potential equity in the property. ⑦	0.70	388.50 -38.85
06/11/10	A. Leet	Review and analyze correspondence from G. Paloian regarding recordation of Illinois Bankruptcy Judgment against the Malibu property (.30); review the Judgment (.10); telephone conference with S. Parelskin at Fidelity National Title Company regarding requirements for recordation of the judgment (.30); telephone conferences with R. Johnson and G. Paloian regarding the same (.20); conference with R. Milligan regarding obtaining court certified copy of the judgment (.10). instructions for Nationwide to obtain the judgment in recordable form (.10).	1.10	352.00
06/14/10	G. Paloian	Investigate Banas possible ownership interest in California residence.	0.80	444.00
06/14/10	A. Leet	Review correspondences from G. Paloian regarding record title holder for San Juan Capistrano property (.20); conference and correspondence with S. Parelskin regarding obtaining a property profile and the last vesting deed (.20); review and analyze the same (.20).	0.60	192.00
06/15/10	R. Johnson	Review the rules for the registering of a judgment in California.	0.20	111.00
06/15/10	A. Leet	Review certified copy of judgment against Blackburn in U.S. Bankruptcy Court (.10); conference with R. Johnson regarding recordation in Los Angeles County (.20); research regarding registering the judgment in California and creation of judgment lien (.60).	0.90	288.00

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/16/10	A. Leet	Research regarding registering foreign federal judgment in California (.20); prepare for and attend telephone conference with G. Paloian and R. Johnson regarding registering judgment in California and recording judgment in Los Angeles County (.20).	0.40	128.00
TOTAL			8.60	\$4,045.00

\$ - 371.85

INVESTIGATION OF ESTATE CLAIMS/ADVERSARY PROCEEDINGS/LITIGATION

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/01/10	G. Paloian	Review criminal information against Tony Banas (.60); telephone conference with Dan Stevenson regarding factual investigation of claims of the Estate (.90); conference with D. Blouin regarding work plan (.40).	1.90	1,054.50
03/01/10	D. Blouin	Further review and analysis of company documentation and associated case materials including recent indictment filed against Anthony Banas (2.80); conference with Gus Paloian regarding case strategy (.40); conference with Dan Stevenson, Canopy GC, regarding factual backdrop of fraud (1.80); analysis of documentation, including summary, forwarded prepared by Dan Stevenson (.90).	5.90	3,068.00
03/01/10	J. Sowka	Call with D. Stevenson regarding investigation into alleged fraudulent audit report (1.70); review and analyze criminal information filed against insiders and DOJ press release (.40).	2.10	682.50
03/01/10	R. Lutkus	Teleconferences with R. Angart regarding access to remote server (.20); begin data volume report generation for "notable custodians" (2.60); review T. Reardon computer image for employee to asset tag list (.90).	3.70	1,128.50
03/01/10	J. Priebe	E-mails to/from Canopy former IT regarding e-mail extraction and file access (.40); prepare status summary to B. Roche regarding e-mail extraction (.20); e-mails to/from R. Lutkus regarding data volume reports (.20); review shared file name and volume statistics (.40); review preliminary media contents and listings for media received from Paul Hastings (.50); conference with R. Lutkus regarding volume of file share and local computer ESI for priority custodians (.30); conference with D. Blouin regarding strategy and priority for processing (.20).	2.20	902.00
03/01/10	C. Robertson	Call with GGV counsel regarding scope and nature of claims against Solomon (.60); review slides prepared by GGV regarding claims against Solomon (.30); review cases cited by GGV regarding defense to liability (40); review Series D documents and redemption regarding Solomon involvement in meetings and claimed abstention (.30); review issues regarding claims against third parties (.30); review Wilson Sonsini documents regarding board resolutions, committee minutes and approval of Series D (.40); review Caremark cases regarding duties on directors (.20); review issues regarding approval and abstention from vote (.20).	2.70	1,336.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/23/10	D. Blouin	Prepare for and participate in meeting with G. Paloian regarding GGV settlement (1.10); prepare for and participate in meeting with Vince Lazar (.90); further analysis of notes from prior interviews of company personnel (1.70); further analysis of company financial data (1.20).	4.90	2,548.00
			(7)	- \$104
03/23/10	C. Robertson	Conference call with D. Blouin, V. Lazar and G. Paloian regarding meeting with GGV and settlement issues and discussions.	0.80	396.00
03/24/10	G. Paloian	Meeting with D. Blouin regarding review of data, management of common case information (1.20); telephone conferences regarding luxury auto purchases with Canopy funds (.40).	1.60	888.00
			(9)(7)	- 222
03/24/10	D. Blouin	Prepare for and attend meeting with Trustee regarding case strategy (1.40); analysis of extensive e-mails from company employees regarding transfer of monies (2.70).	4.10	2,132.00
			(7)	- 72.8
03/24/10	J. Sowka	Confer with G. Paloian regarding filing of fee applications.	0.10	32.50
03/24/10	J. Priebe	Correspondence to/from Nuix regarding final terms and signed contract for motion.	0.30	123.00
03/25/10	G. Paloian	Conference with C. Robertson regarding claims against V. Kashyap and settlement considerations.	0.50	277.50
03/25/10	J. Priebe	Correspondence with R. Angart regarding Intermedia e-mail hosting and relationship (.40); e-mails to/from B. Roche regarding cancellation of e-mail hosting contract by Canopy (.30).	0.70	287.00
03/25/10	C. Robertson	Review cases and documents in connection with meeting with GGV counsel regarding settlement and scope of claims against GGV and Solomon (2.40); meeting with counsel for GGV regarding settlement proposals and counter-proposals regarding resolution of bankruptcy and D&O claims (3.90).	6.30	3,118.50
			(4)	- \$1,930.5
03/26/10	J. Priebe	Correspondence and conference call with R. Angart regarding e-mail retention with Inventus and communication with FBI.	0.60	246.00
			(7)	- 24.6
03/26/10	B. Roche	Communicate with J. Priebe and R. Angart regarding status of Intermedia issue.	0.30	112.50
03/29/10	G. Paloian	Telephone conference with Monica Pinciak regarding action against Tony Banas and J. Blackburn cooperation (.40); telephone conference with C. Robertson regarding action against V. Kashyap (.30); communication with Spectrum counsel regarding FT Partners potential mediation (.30).	1.00	555.00

(- \$2,700.5)

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
04/19/10	S. Knight	Organization of data received from former counsel and subpoena responses for review.	0.10	19.00
04/20/10	R. Lutkus	Discussions with E. Muniz and J. Priebe regarding server setup for Canopy deployment (.40); review Nuix test data quality control assessment to determine Ringtail export capabilities (.50); discuss the same with R. Ballakhan (.10); perform source and target media setup in preparation for imaging laptop hard drive from Canopy general counsel (.40); perform forensic acquisition of the same, including verification of evidence and setup of forensic casefiles for preservation (1.70).	3.10	945.50
04/20/10	A. Banas	Legal research and analysis of applicability of principles such as res judicata and collateral estoppel to estate claims against insiders and other potential defendants, and continue preparing memorandum regarding same (.90).	0.90	292.50
04/20/10	J. Priebe	Prepare outline memorandum for foldering, access, and organizational structure for outside counsel and subpoena response documents in Ringtail (.50); coordinate server storage setup for Nuix deployment (.20).	0.70	287.00
04/20/10	J. McManus	Assist with investigation of discovery target entities' location for service of subpoenas.	0.50	117.50
04/20/10	N. Bouchard	Assist with demand letter to Olga Emfinger for B. Roche (.20); conversation with process server regarding status of efforts to personally serve certain subpoenas (.20); e-mails to B. Roche regarding additional contact information for subpoena recipients (.20); update subpoena tracking spreadsheet with additional recipients and information regarding response from same (2.00); additional research and phone calls regarding issuance of out of state subpoenas (1.50); discuss same with G. Paloian (.20).	4.30	537.50
04/20/10	C. Robertson	Review documents regarding GGV and communications between Kashyap and Solomon regarding financial performance, forecasting and valuation (.80); review and annotate SVB report regarding share valuation for stock option grant (.60); draft demand letters for outside directors (.40); correspondence with V. Lazar regarding D&O issues and demand letters (.30); review and annotate letter from insurer regarding reservation of rights and possible fraud in application (.20); review and annotate proposed response to insurer (.30); draft and send e-mail to counsel regarding response to insurer (.30); review tax return issues and payments to IRS regarding tax returns for 2006, 2007 and 2008 (.40); call with D. Stevenson regarding customer issues and conversation with V. Kashyap (.30).	3.60	1,782.00
			(7)	-18.75

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
04/27/10	S. Knight	Analyze volume of paper documents received from former counsel to estimate cost of processing for electronic review.	0.40	76.00
04/28/10	G. Paloian	Review settlement offer of Just Great Seats (.10); review Canopy employee e-mails regarding claims investigation (2.50); telephone conference with J. Switzer regarding 230 Monroe landlord claim resolution (.30); review communication from M. Pinciak regarding freeze order/Injunction against Banas (.40).	3.30	1,831.50
			(47)	\$-1,387.5
04/28/10	D. Blouin	Prepare extensive memoranda to be used by team of attorneys reviewing extensive company documents.	1.60	832.00
04/28/10	M. Pinkston	Continue legal research regarding effect of nonjoinder of necessary or indispensable parties on ability to pursue causes of action for breach of fiduciary duty against joint tortfeasors (2.90); conference with G. Paloian regarding same (.20); telephone conference with C. Robertson regarding same (.10).	3.20	944.00
04/28/10	R. Lutkus	Participate in Level 2 training on operating Nuix software (1.10); setup main Canopy Nuix case and being processing for largest e-mail volumes (.90); setup processing for all other e-mail received from third party e-mail provider for processing and indexing within Nuix (2.10); address issues with data hub availability on Nuix server (.10).	4.20	1,281.00
04/28/10	J. Priebe	Email to/from R. Angart regarding backup files being delivered from Iron Mountain.	0.20	82.00
04/28/10	N. Bouchard	Various e-mails to J. McDermott regarding service of Rule 2004 subpoenas in San Francisco (.50); calls with same regarding same (.20); phone conversation with clerk of the court in San Francisco regarding registration of subpoenas (.30); various e-mails to C. Robertson regarding service to counsel for San Francisco subpoena recipients (.20); phone conversation with C. Robertson regarding same (.10); e-mail to G. Paloian and C. Robertson regarding additional parties to subpoena recipient list (.20); update master list of additional parties to be served with subpoenas (.30); revise Rule 2004 subpoena to John Powers (.30); update subpoena tracking chart (.60); arrange for same to be served (.20); follow-up with process server in L.A. regarding confirmation of service of Kashyap Family Trust subpoena (.20); revise supplemental motion for Rule 2004 examinations (.20); revise exhibit to same (.20); assist C. Russell with review of V. Kashyap e-mails for G. Paloian (.30).	3.80	475.00

-\$1,387.5

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/07/10	J. Sowka	Review e-mail from V. Lazar regarding additional discovery targets (.10); draft various e-mails to N. Bouchard and B. Roche regarding same (.10).	0.20	65.00
05/07/10	A. Banas	Analyze case law regarding receivers pendente lite and supplement memorandum regarding same (1.80); analyze Canopy's financial statements for purpose of obtaining factual background to memorandum on receivers (.30); analyze documents produced by various parties in response to subpoenas and summarize documents in spreadsheet (2.50). >	4.60	1,495.00
			(47)	-812.5
05/07/10	N. Bouchard	Revise and finalize Rule 2004 subpoenas to Glenn Solomon and GGV entities (.40); oversee service of same (.20); confer with B. Roche regarding additional Rule 2004 targets (.20); review and update chart of additional targets for Supplemental Rule 2004 motion (.30); research contact information for additional targets (1.00); update subpoena tracking charts regarding received production pursuant to issued subpoenas (.50); research new contact information on target, Nicole Bruton (.20); update subpoena discovery files (.50).	3.30	412.50
05/07/10	D. Grant	Analyze electronically stored information received from subpoena responses and other law firms (.30); process same into electronic document review platform for attorney review (.90).	1.20	132.00
05/07/10	C. Robertson	Call with counsel for J. Powers regarding subpoena and meeting (.30); call with counsel for V. Kashyap regarding complaint and meeting (.40); review insurance issues and documents regarding request from counsel for insurer and forward materials to V. Lazar (.60); call with G. Paloian regarding D&O issues and discovery (.30); review proposed agreement regarding coordination with AUSA and SEC (.30); call with B. Roche regarding V. Kashyap issues and conversation with counsel regarding claims and meeting (.30).	2.20	1,089.00
05/07/10	B. Roche	Conference with G. Paloian, J. Sowka, V. Lazar and C. Robertson regarding coordination agreement (1.00); conference with SEC, US Trustee's Office and US Attorney's Office regarding same (1.60); communicate with T. Campbell regarding J. Bartlett whereabouts and J. Blackburn real estate (.40); communicate with R. Johnson regarding status of title on Malibu property (.20); communicate with C. Robertson regarding V. Kashyap deposition (.30); conference with N. Rice regarding status of 2004 subpoenas to determine responsiveness of subpoenaed parties (.80); begin to draft communication threatening legal action for those who have been unresponsive to said subpoenas (.20).	4.50	1,687.50
05/07/10	S. Knight	Review and analyze error message occurring in review of e-mail by contract attorney reviewers.	0.20	38.00

(-812.5)

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/18/10	G. Paloian	Review summary of Bank of America production and identify recoveries (.60); communications with V. Lazar regarding recoveries against Robert Blackburn (.20); (review Wilson Sonsini/FT Partners e-mails (.80))	1.60	888.00
			(4)	\$444
05/18/10	J. Sowka	Review e-mail from P. Jacobs regarding additional address information for discovery targets (.10); draft e-mail to N. Bouchard to research on remaining outstanding information for discovery targets (.10).	0.20	65.00
05/18/10	R. Lutkus	Perform large scale keyword searches, classification of results, and recording of hit counts (2.30); draft summary e-mail to Seyfarth team reporting on search hits (.10).	2.40	732.00
05/18/10	A. Banas	Analyze e-mails of Canopy insiders based on contract attorneys' designation of e-mails as "responsive," and prepare summary of results for weekly strategy meeting with trustee G. Paloian (2.30); analyze hardcopy documents received in response to subpoenas and update memo to file regarding same (.50).	2.80	910.00
			(7)	\$91
05/18/10	J. Priebe	E-mails to/from Jenner regarding access to e-mail and file server documents (.40); conference call with Proskaur regarding file format and delivery (.30); conferences with R. Lutkus regarding Nuix processing and test terms (.30); review and revise search term initial report (.40); conference call with M. Firestein and G. Paloian regarding search terms and investigation (1.20); review Racine file server folders (.60); review Kim Blackburn e-mail regarding asset transfers and purchases (.70); analyze and search Blackburn and Banas e-mail (.80).	4.70	1,927.00
			(4)	\$287
05/18/10	N. Bouchard	Review and revise contact information for exhibit to supplemental Rule 2004 subpoena (.40); e-mail correspondence to C. Robertson requesting additional information on Rule 2004 targets (.10); telephone conference with C. Robertson regarding same (.30); revise subpoena tracking chart regarding updated conflicts results, subpoena production, and additional background information on additional targets (1.00); meeting with A. Banas to review additional production (.30).	2.10	262.50
05/18/10	R. Ballakhan	Prepare Ringtail disclaimer for use by Jenner and Block when accessing the Ringtail document system (1.50); discuss creation of Ringtail accounts for Jenner and Block with Lori Chavez (.50).	2.00	370.00
05/18/10	W. Wanjohi	Append additional information to document records in Ringtail review database to better facilitate review.	0.70	129.50

(- \$822)

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
05/25/10	B. Roche	<Evaluate and analyze issues pertaining to filing of adversary complaint against J. Bartlett (.30);> communicate with J. Bartlett regarding response to subpoena (.50); communicate with G. Paloian regarding same (.20).	1.00	375.00
			(4)	- 112.5
05/25/10	S. Knight	Review Canopy extranet site as a potential solution for making bank statements available to outside parties (.20); review and analyze processing of electronically stored information into Nuix (.90); manage hardware to continue processing same (.60); prepare Ringtail electronic document database configuration for review by co-counsel (.50); conference with contract review attorneys regarding analysis of types electronically stored information that has been reviewed and additional issues for a concept-based review (.40); analyze electronic bank statement received from UMB bank for April 2010 (.10); prepare same for database processing (.10); analysis and strategy regarding development of a concept-based review for additional contract attorney reviewers (.40). review and analyze errors occurring while exporting electronically stored information from the Nuix processing database to transfer to the Ringtail review database (.70).	3.90	741.00
05/26/10	G. Paloian	Conference with J. Priebe regarding search terms and revisions for Nuix database inquiry (.40); telephone conference with B. Roche regarding Rule 2004 subpoena and Walnut Street securities (.30); telephone conference with C. Robertson regarding Confidentiality Agreement for FT Partners document production (.30); telephone conference with V. Lazar regarding Brian Burgstone transfers (.30) communications with SEC regarding assets covered by freeze order and coordination (.30); communications with Kashyap counsel and C. Robertson regarding D & O Insurance issues (.30); communications with V. Lazar regarding subpoena to tear of crime policy claim submission and additional services by A & M (.30); review supplemental Rule 2004 motion (.20); conference with N. Bouchard regarding Rule 2004 motion (.20).	2.60	1,443.00
05/26/10	D. Blouin	Prepare for and participate in meeting to discuss methodologies in which extensive e-mails and company documents can be reviewed and analyzed efficiently and cost effectively.	1.10	572.00
			(7)	-57.20
05/26/10	A. Banas	Prepare for and conduct weekly strategy meeting regarding investigation of estate claims, 2004 subpoenas, and recovery of assets for benefit of estate.	2.70	877.50
			(7)	-87.75

- \$257.45

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/07/10	G. Paloian	Investigation of Jennifer Martin (.30); revise Kashyap Settlement Agreement Consent Decree (.20); review and revise Lakeshore Motors complaint (.20); conference with N. Bouchard regarding meeting with Pat McGrath of Alvarez regarding recovery actions (.50); telephone conference with V. Lazar regarding complaint against Just Great Seats (.40).	1.60	888.00
			(4)	-166.5
06/07/10	J. Sowka	Confer with representative of creditor regarding issuance of rule 2004 subpoena (.10); confer with N. Bouchard regarding status of subpoena (.10); confer with G. Paloian regarding same (.10); draft e-mail to B. Roche regarding same (.10); confer with B. Roche regarding same (.10).	0.50	162.50
			(4)	-32.5
06/07/10	R. Lutkus	Prepare copies of various DD forensic images for analysis by Nuix in order to make future data processing more efficient to reduce cost to estate.	1.90	579.50
06/07/10	A. Banas	Analyze hardcopy documents produced in response to Rule 2004 subpoenas to support complaints to recover fraudulently transferred estate assets.	3.50	1,137.50
			(4)(7)	-\$1,137.5
06/07/10	J. Priebe	Conference with S. Knight regarding subpoena response filtering (.30); conference call with C. Robertson regarding search terms (.20); review production files for Powers and Frankel (.70); investigate and develop strategy for OCR of Frankel documents (.30); conference calls with Dewey LaBeuf regarding production (.30); conference calls with 24/7 regarding production of text for Frankel data (.30).	2.10	861.00
06/07/10	N. Bouchard	E-mail communications with Pat McGrath regarding review of and revisions to master investigation/defendant chart (.30); update master investigation/defendant chart (.30); phone conversation with counsel for Manor and Rino regarding agreement to accept service of Rule 2004 subpoenas for same (.20); prepare final drafts of subpoenas regarding same (.50); oversee service of same (.30); discuss responses from subpoena recipients with B. Roche (.10); update status of issued subpoenas in master tracking chart (.70).	2.40	300.00
06/07/10	C. Macleod	Prepare Ringtail load files for documents VIPHD00000003-VIPHD00742529 (.90); copy data to hard drive for Proskauer Rose (.30).	1.20	222.00
06/07/10	R. Ballakhan	Effect project management regarding preparation of search term hits for attorney review.	1.50	277.50

-\$1,336.5

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/14/10	A. Shepro	Investigate appropriate Court Districts for serving related subpoenas.	0.20	16.00
06/14/10	S. Knight	Analysis and strategy regarding preparation of chronology of events with supporting documents (1.60); analyze progress of electronic document review to redistribute documents (.50); analyze software options for tracking documents from Canopy and subpoena documents (1.60); analyze electronic documents for car purchases (.30); analyze electronic documents (.20). >	4.20	798.00
			④	-38
06/14/10	M. Christoff	Review and analyze electronically stored information regarding Allied Financial 1099 Forms, 5498 Forms, bank statements, and additional financial information in response to subpoenas (.20); prepare same for processing (.40).	0.60	114.00
06/15/10	G. Paloian	Review V. Kashyap financial statement (.60); telephone conference with Minnesota counsel regarding recordation of judgment against real estate (.50); meeting with J. Priebe regarding status of database issues and information available for search (.30); communication with K. Blackburn counsel regarding interview of Ms. Blackburn (.40); telephone conference with Mark Enenbach (counsel for Todd Reardon) regarding Rule 2004 subpoena (.30); telephone conference with V. Lazar regarding recovery of vehicles purchased with Canopy funds (.40); conference with B. Roche regarding Jennifer Bartlett and Brian Binstone representation (.30); review e-mail regarding NetJet recovery and negotiations (.30); communications with B. Tarnow regarding Blackburn purchase of a Ferrari (.20); communication with V. Lazar regarding revision to complaint (Lakeshore) to include Ferrari (.20); review additional Blackburn e-mails regarding Bentley purchases (.30); investigate Banas/ Canopy transfer for a California residence (.60). >	4.40	2,442.00
			④	-777
06/15/10	R. Lutkus	Continue user profile auditing and cataloging forensic images to determine which custodians data exists on which hard drives while creating a master catalog to prioritize data processing of those custodians whose data is most likely to further investigation of estate claims (2.40); address "Spectrum" keyword search issue by rerunning search and saving classification for export to Ringtail (.40); discuss possible subpoena of information to Google regarding T. Banas GMail e-mail account (.30); perform high level review of L. Van user profile for any suspicious data/files (.50)	3.60	1,098.00
			④	-91.5
06/15/10	J. Priebe	Review and test replacement OCR files for Frankel production (.30); e-mails to/from C. Robertson regarding same (.20).	0.50	205.00

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/22/10	N. Bouchard	Discuss subpoena production with B. Roche (.20); update subpoena tracking chart with information regarding production received pursuant to issued subpoenas (1.00); forward supplemental Rule 2004 motion and order for counsel to subpoena recipient, Lightyear Capital (.20); download copy of SEC complaint against Anthony Banas for G. Paloian and B. Roche (.10); provide certified copy of Blackburn judgment to R. Milligan in L.A. office for G. Paloian (.10); e-mail correspondence to Precious Jacobs requesting copies of production received from American Express (.20).	1.80	225.00
06/22/10	D. Grant	Review and prepare production docs (FTP-SEC0046974 - FTP-SEC0180916) for attorneys review.	2.50	275.00
06/22/10	W. Wanjohi	Transform last remaining key custodian e-mail exports to form suitable for attorney review.	9.80	1,813.00
06/22/10	C. Robertson	Call with counsel for Spectrum regarding document review and status of investigation (.30); call with G. Paloian regarding review of documents from Ringtail and hot documents regarding data room and due diligence (.40); review and annotate documents from database regarding chronology of discussions with Blue Healthcare Bank regarding FEP relationship and implementation of Canopy system in 2009 (1.80); review documents regarding representations to investors regarding Canopy contract with FEP and claims regarding growth of FEP customers on system (.80); review correspondence and documents regarding FT Partners and involvement in revising data provided to investors (.30); review and annotate access logs and edit logs regarding data room and financial and customer information in data room (.30); review due diligence requests by Jack Henry regarding review of customer contracts and interviews with customers and KPMG (.40).	4.30	2,128.50
			(4)	- 148.5
06/22/10	M. Johnson	Inter office conference with D. Blouin regarding case status and overview (.20); begin to review background materials regarding same (.30).	0.50	230.00
06/22/10	B. Roche	Evaluate and analyze documents and objections to 2004 subpoena from T. Reardon (.60); evaluate and analyze communications from K. Wolfe, D. DeAmicus (attorney for 3i US Growth Partners LP) and D. Wentz (attorney for S. Hazdra) regarding responses to 2004 subpoena (.70).	1.30	487.50
			(7)	- 262.5
06/22/10	J. DeJonker	Exchange e-mails with G. Paloian, A. Banas, et al., regarding adversary complaints and recovery strategy.	0.10	44.00
			(4)	- 44

(5)
-455

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/30/10	C. Robertson	Call with G. Paloian regarding review of V. Kashyap financial disclosures and requests for additional information (.40); draft and send e-mail to B. Scalabrino regarding V. Kashyap financial disclosures and additional requests for information (.50); review disclosures regarding transfers to wife and family by V. Kashyap (.40); call with Lightyear Capital regarding review of case and response to document subpoena (.40); review e-mails from P. McGrath regarding review of financial statements and insolvency issues, red flags and inconsistencies with reported income and consolidation (.40); review and revise GGV confidentiality agreement regarding Spectrum and forward to C. Steskal (.40); call with M. Firestein regarding GGV confidentiality order (.40); attend conference call regarding status of document collection and review, new complaints and related issues (.40); review and annotate quarterly financial statements regarding red flags and inconsistencies in reported data between P&L and balance sheets (.60).	3.90	1,930.50
06/30/10	B. Roche	Attend meeting on status of document production and communicate with contract attorneys regarding upcoming interview with K. Blackburn (1.20); evaluate and analyze information pertaining to L. Doffo and L. Podraza and obtain information so as to properly serve 2004 subpoenas (1.00); evaluate and analyze citation to discover assets issued to J. Blackburn (.30); evaluate and analyze documents on expenditures of K. Blackburn in preparation for upcoming interview (.60); communicate with counsel for D. Scalise regarding watch she claimed to have lost (but is valued at \$30K) (.20).	3.30	1,237.50
06/30/10	S. Knight	Prepare electronically stored information containing keyword search results related to GGV for review by contract attorneys (1.10); review and analyze electronically stored information collected from Canopy for K. Blackburn e-mail (.70); analysis and strategy regarding protocol for tracking information using CaseMap software (.30); review and analyze electronically stored information collected from Canopy for documents related to J. Bartlett (.30).	2.40	456.00

TOTAL

1,477.10 \$492,787.50

* amount deducted in this section = \$80,210.26

\$-648

total deducted on reviewed pages = \$9,344.7
total fees on reviewed pages = \$57,411

$\frac{\$9,344.7}{\$57,411} = 16.28\%$

$(492,787.50) \times .1628$

CANOPY FINANCIAL--SEYFARTH SECOND INTERIM FEE APPLICATION TIME DETAIL = \$80,210.26

total amount deducted

REDEMPTION ACTIONS

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/03/10	E. Weibust	Conference with C. Robertson regarding background of case and research issues (.60); research law regarding liability of director for improper redemption (1.50); review background materials (.70). >	2.80	910.00
			(4)	-227.5
03/04/10	E. Weibust	Research law regarding improper redemptions.	1.00	325.00
03/05/10	E. Weibust	Research Delaware law regarding liability of directors and shareholders for improper redemptions (4.10); draft e-mail to C. Robertson regarding same (1.70).	5.80	1,885.00
			(2)	-942.5
03/08/10	C. Robertson	Review slides from GGV regarding defenses to claims and redemption(.30); review cases and treatises forwarded by E. Weibust regarding redemption claims and defenses under Delaware law in connection with GGV complaint (.40); meet with E. Weibust regarding research (.20).	0.90	445.50
03/09/10	E. Weibust	Research law regarding limits to director's ability to rely on company officers and be protected in improper redemption case.	2.30	747.50
			(2)	-373.75
03/10/10	E. Weibust	Research law regarding director's reliance defense under Section 172.	1.80	585.00
			(2)	-292.5
03/16/10	G. Paloian	Review Series A Holder redemptions regarding recovery.	0.40	222.00
03/16/10	C. Robertson	Research cases regarding Caremark claims and breach of duties of loyalty and care in connection with oversight and redemption.	0.80	396.00
03/17/10	C. Robertson	Research and review cases regarding response to GGV arguments on redemption and Caremark duties (1.70); research and review cases regarding conflict of interest and "entire fairness" doctrine in connection with redemptions and Series C and Series A payouts (1.20).	2.90	1,435.50
03/24/10	C. Robertson	Review cases regarding preparation for meeting with GGV counsel regarding settlement (.80); review Series D documents regarding redemption and claims against G. Solomon (.50).	1.30	643.50
03/26/10	C. Robertson	Review documents and pleadings regarding complaint against Kashyap for redemptions and underlying fraud at Canopy (1.40); draft outline of complaint against Kashyap (.90).	2.30	1,138.50
03/30/10	C. Robertson	Draft, edit and revise adversary complaint against V. Kashyap regarding breach of fiduciary duty, unlawful redemptions and unlawful transfers (3.40); review minutes and Board consents regarding payments to Kashyap, Series D offering and redemptions (1.20).	4.60	2,277.00

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/31/10	C. Robertson	Draft, edit and finalize draft of adversary complaint against V. Kashyap (2.90); call call with counsel regarding adversary complaint and issues regarding oversight and unlawful redemptions (.30); review minutes, offering documents and redemption schedule regarding complaint and claim for damages (.40).	3.60	1,782.00
			④	-148.5
03/31/10	B. Roche	Communicate with C. Robertson regarding V. Kashyap complaint.	0.50	187.50
04/01/10	C. Robertson	Review and revise adversary complaint against Kashyap regarding breach of fiduciary duty and unlawful redemptions (.70); review financial statements and alleged audit regarding Series D investment and consistency with tax returns filed and signed by Kashyap (.50).	1.20	594.00
04/13/10	C. Robertson	Call with G. Paloian regarding edits to Kashyap complaint (.40); revise and edit Kashyap complaint regarding breach of fiduciary duties and unlawful redemptions (.50).	0.90	445.50
04/14/10	G. Paloian	Investigate material Adverse Effect clause on redemptions.	0.30	166.50
04/14/10	G. Paloian	Review and revise Kashyap complaint (.40); telephone conferences with C. Robertson regarding revisions to Kashyap complaint (.20).	0.60	333.00
04/15/10	C. Robertson	Call with G. Paloian regarding review of Series D offering documents and redemption regarding MAC clause and possible legal argument regarding sellers in redemption (.30); review shareholder approval documents and Series D documents regarding MAC clause and representations and warranties of company in connection with transaction (.50).	0.80	396.00
04/15/10	J. DeJonker	Exchange e-mails with G. Paloian, et al., regarding redemption litigation and document review (.20); conference with G. Paloian regarding same (.30).	0.50	220.00
			④	-88
05/06/10	C. Robertson	Research, review and annotate cases regarding unlawful redemptions and liability of outside directors, including cases regarding bond offerings and receipt of cash prior to redemption (1.20); draft and send e-mail to G. Paloian regarding review of cases and redemption liability (.30).	1.50	742.50
05/21/10	C. Robertson	Review GGV issues regarding settlement counterproposal in response to GGV offer, including redemption amounts and claims regarding redemption.	0.30	148.50
05/28/10	G. Paloian	Conference with A. Banas regarding next review tasks for contract reviewers regarding redemption investigation.	0.20	111.00

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/01/10	A. Banas	Strategy discussion with C. Robertson regarding complaint to recover redemption payments as fraudulent transfers, and update complaint accordingly (.90); analysis of case law regarding unlawful redemptions under Delaware Code (1.40).	2.30	747.50
			(7)	-29.25
06/01/10	C. Robertson	Call with A. Banas regarding review of complaint against Series A redemption recipients and theories for recovery of redemptions (.40); review and annotate draft complaint regarding recovery of redemptions from Series A holders (.30); review and forward list of Series A holders to A. Banas (.20); call with G. Paloian regarding review of documents and questions regarding due diligence in connection with Series D offering (.30); research and forward cases regarding Series A redemption and claims against recipients for recovery under Delaware and Illinois law (.80).	2.00	990.00
06/03/10	G. Paloian	Revise redemption complaint.	0.80	444.00
06/03/10	A. Banas	Strategy discussions with G. Paloian and C. Robertson regarding recovery of redemption payments and other causes of action against Canopy insiders (1.30); follow up same with analysis of case law regarding unlawful redemptions and fraudulent transfers under state law and Delaware Code (3.30).	4.60	1,495.00
			(2)	-536.25
06/03/10	J. McManus	Confer with A. Banas regarding preparation of adversary complaints against insiders and other shareholders regarding fraudulent conveyance.	0.20	47.00
06/03/10	C. Robertson	Research, review and annotate cases regarding common law and statutory claims against recipients of redemptions in July 2009 (1.20); draft and send e-mails to team regarding review of cases and summaries of causes of action and scienter standard for claims against redeeming shareholders (.70); review correspondence and documents provided by Powers (.30); call with A. Banas regarding analysis of cases and claims against redeeming shareholders and outline of claims for complaints (.70); review shareholder list and shareholder redemption documents and disclosures regarding Series A holders and claims for recovery (.30).	3.20	1,584.00
			(4)	-346.5
06/03/10	J. DeJonker	Review and analyze memorandum from A. Banas regarding recovery of redemption payments.	0.10	44.00
06/04/10	A. Banas	Analyze e-mails of Canopy insiders and related documents to investigate potential recoveries on behalf of bankruptcy estate.	3.50	1,137.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/04/10	C. Robertson	Review and annotate cases regarding claims against outsider recipients of redemption payments and level of scienter regarding affirmative defenses of good faith (.80); call with G. Paloian and A. Banas regarding review of claims against recipients of redemption payments and legal issues regarding choice of law, bankruptcy arguments and insolvency (.60); review and annotate Series A documents provided by Wilson Sonsini regarding claims against Series A holders for return of redemption payments (.60); call with A. Banas regarding search terms for review of Powers and Frankel e-mails and possible claims against Powers and Frankel under Delaware law (.40).	2.40	1,188.00
06/04/10	J. DeJonker	Exchange e-mails with G. Paloian, et al., regarding redemption complaint (.10); review and revise redemption complaint (.50).	0.60	264.00
		(A)		-44
06/05/10	D. Blouin	Analysis of legal authority regarding redemption claims.	1.30	676.00
06/07/10	A. Banas	Analyze e-mail messages of Canopy insiders as preparation for filing complaints to recover fraudulently transferred assets of bankruptcy estate.	3.40	1,105.00
06/07/10	B. Roche	Evaluate and analyze communications from C. Robertson regarding Frankel and Powers (.40); evaluate and analyze redemption case law (.30).	0.70	262.50
06/09/10	J. McManus	Assist with assembly of redemption entities list for service purposes related to adversary complaint filings.	0.60	141.00
06/10/10	A. Banas	Analyze e-mails of Canopy insiders to investigate causes of action on behalf of bankruptcy estate (3.50); work on timeline of events related to fraudulent scheme perpetrated by insiders (1.40); analyze hardcopy documents produced in response to subpoenas (2.20).	7.10	2,307.50
		(A)		-715
06/11/10	A. Banas	Edit and revise complaint to recover redemption payments, including analysis of Series D Preferred Stock Agreement and Share Redemption Agreements (.80); draft memorandum to file regarding all fraudulently transferred redemption payments and related factual background (1.80).	2.60	845.00
06/11/10	J. McManus	Follow-up with N. Bouchard regarding preparation of redemption adversary complaints.	0.20	47.00
06/14/10	A. Banas	Analyze Series D financing documents, e-mails of insiders, and pleadings for purpose of creating master timeline of key events related to Canopy insiders' fraudulent scheme (1.40); strategy meeting with Trustee G. Paloian, in part, and contract attorneys and Sarah Knight regarding analysis of insiders' e-mail in connection with investigation of estate claims (1.30).	2.70	877.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/14/10	C. Robertson	Review and annotate V. Kashyap complaint regarding unlawful redemptions and breach of loyalty and duty.	0.40	198.00
06/15/10	A. Banas	Edit and revise complaint to recover purported redemption payments from alleged non-insiders (1.80); strategy discussion with C. Robertson regarding same (.10).	1.90	617.50
06/15/10	N. Bouchard	Review claims register regarding claims filed by potential redemption defendants for purposes of filing adversary complaints against same for A. Banas.	0.30	37.50
06/15/10	C. Robertson	Review and annotate model complaint against recipients of redemptions (.30); call with A. Banas regarding same (.20).	0.50	247.50
06/16/10	G. Paloian	Revise redemption complaint (.60); conference with A. Banas regarding preference counts in certain redemption complaints (.30).	0.90	499.50
06/16/10	A. Banas	Edit and revise complaint to recover fraudulently transferred stock redemption payments, based on G. Paloian's comments.	0.60	195.00
06/16/10	C. Robertson	Review e-mails from Ringtail database regarding Powers receipt and review of information and vote on redemption in connection with Series D financing.	0.50	247.50
06/17/10	G. Paloian	Conferences with A. Banas regarding redemption complaints and transfers within 90 days of bankruptcy.	0.20	111.00
06/17/10	J. Sowka	Confer with A. Banas regarding basis for potential preference claims (.40); confer with A. Banas regarding elements of fraudulent transfers under Illinois law (.20).	0.60	195.00
06/17/10	A. Banas	Analyze case law, Illinois Uniform Fraudulent Transfer Act, and secondary legal authorities regarding fraudulent and preferential transfer of stock redemptions, and update complaint regarding same (4.90); strategy discussions with contract attorneys regarding the results of their investigations into Canopy insiders' e-mails (.20).	5.10	1,657.50
06/17/10	C. Robertson	Review redemption issues regarding possible preference claims.	0.20	99.00
06/18/10	M. Pinkston	Conference with G. Paloian regarding complaints regarding redemption of stock and litigation strategy (.40); conference with A. Banas regarding same (.40); review complaint (.30).	1.10	324.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/18/10	A. Banas	Edit and revise complaint to recover redemption payments, including analysis of service methods, updating spreadsheet of background facts, and analysis of case law regarding recovery of unlawful stock redemptions as fraudulent and preferential transfers (3.80); strategy discussion with R. Pinkston regarding same and regarding tasks to be completed in advance of filing multiple redemption complaints (.40).	4.20	1,365.00
06/18/10	N. Bouchard	Review and confirm contact information for Redemption Defendants regarding filing of adversary complaints against same (.80); discuss service of complaints with A. Banas (.20).	1.00	125.00
06/18/10	C. Robertson	Call with A. Banas regarding redemption complaints and preference issues.	0.30	148.50
06/21/10	A. Banas	Prepare complaints to recover fraudulently transferred redemption payments, including analysis and preparation of exhibits, analysis of bank statements evidencing transfers, analysis of demand letters to confirm current status of negotiations, and edits to complaint.	4.20	1,365.00
06/21/10	J. McManus	Confer with A. Banas and N. Bouchard regarding complaints filings (.10); revise complaints in preparation for same (.50).	0.60	141.00
06/21/10	N. Bouchard	Revise Rule 2004 subpoenas (2) for service in California (.20); revise adversary complaints for all redemption defendants for A. Banas (2.60).	2.80	350.00
			④	-25
06/21/10	C. Robertson	Review and annotate final proposed form complaints for redemption claims (.60); review schedules regarding redemptions and timing regarding preference claims (.20).	0.80	396.00
06/21/10	J. DeJonker	Telephone conference with V. Lazar, G. Paloian and A. Banas regarding estate claims against redemption claimants and complaints.	0.60	264.00
06/22/10	M. Pinkston	Review and revise complaint regarding stock redemption.	1.20	354.00
06/22/10	N. Bouchard	Continue revisions to redemption adversary complaint for A. Banas.	2.50	312.50
06/22/10	J. DeJonker	Draft e-mail correspondence to redemption defendant counsel regarding scope of representation.	0.30	132.00
			④	-132
06/22/10	J. DeJonker	Conference with G. Paloian regarding redemption complaints and litigation strategy.	0.20	88.00
06/22/10	J. DeJonker	Review and analyze form demand letter sent to redemption payment recipients.	0.10	44.00
06/22/10	A. Shepro	Amend Canopy adversary complaints for N. Bouchard to be sent to the New York office.	0.20	16.00

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/23/10	M. Pinkston	Conference with A. Banas regarding draft complaint for recovery of fraudulent transfers (.10); review and revise draft complaint (1.00); conference with A. Banas regarding disallowance of claims of entities who have property of the estate (.30).	1.40	413.00
06/23/10	A. Banas	Edit and revise complaints to recover redemption payments from defendants Thomas, Yunus, Prakash, Kramer, Bair, Glover, Stephens Trust, and Scott Stephens.	2.30	747.50
06/23/10	J. McManus	Revise multiple adversary complaints in preparation for filing (2.80); confer with A. Banas regarding same (.10); update defendants checklist (.20).	3.10	728.50
06/24/10	A. Banas	Finalize complaints to recover redemption payments from defendants Yunus, Prakash, Thomas, and Kramer, and work with paralegal J. McManus on service and filing matters (1.90); Finalize complaints to recover redemption payments from defendants Stephens, Stephens Family Trust, Bair, Lewin, and Glover (1.50).	3.40	1,105.00
			⑦	-61.75
06/24/10	J. McManus	Final revisions to four complaints to be filed with the Court (1.60); assemble exhibits regarding same (.40); open four adversary cases (.80); cause complaints to be filed with the Court (.60); prepare Summonses and Certificates of Service (.80); oversee service of same (.40).	4.60	1,081.00
			② (max. 3 hrs)	-141
06/24/10	J. DeJonker	Conference with J. McManus and A. Banas regarding redemption complaints and strategy issues (.10); exchange e-mails with A. Banas, J. McManus, et al., regarding redemption complaints and scheduling issues.	0.30	132.00
			④	-88
06/25/10	A. Banas	Finalize complaints to recover redemption payments from defendants McClure, Draughon, Evans, Masucci, Ghertner, Leary, von Zuben, Withers, RMT Holdings, Hoag Living Trust, and On the Side Investments LLC.	3.90	1,267.50
06/25/10	J. McManus	Cause Summons Service Executed to be filed with the Court in the Prakash, Thomas, Yunus and Kramer adversary proceedings (.60); docket same (.20); revise additional complaints in preparation for future filing (.60).	1.40	329.00
			② (max. 3 hrs)	-258.5
06/25/10	C. Robertson	Review correspondence regarding insolvency issue and determination of insolvency date (.30); review financial statements regarding insolvency issue and determination of insolvency (.30).	0.60	297.00
06/25/10	B. Koche	Evaluate and analyze communications regarding 2004 subpoenas and redemption complaints.	0.50	187.50

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
06/25/10	J. DeJonker	Finalize correspondence to redemption defendant's counsel regarding initiation of litigation (.20); brief review and analysis of redemption complaints against defendants Prakash, Thomas, Yunus, and Kramer (.10).	0.30	132.00
			(4)	-88
06/28/10	A. Banas	Negotiations with attorneys for M. Kramer and J. Lewin regarding complaints to recovery redemption payments as fraudulent transfers (.20); analyze documents produced in response to Rule 2004 subpoenas related to recovery of fraudulently transferred estate assets (5.70).	5.900	1,917.50
			(4)	-65
06/28/10	C. Robertson	Review financial statements and related documents regarding insolvency issues and date of insolvency.	0.40	198.00
06/29/10	A. Banas	Analyze documents produced in response to Rule 2004 subpoenas in connection with recovery of fraudulently transferred estate assets.	5.50	1,787.50
06/29/10	B. Roche	Conference with A. Banas to discuss adversary complaints and preparation of same.	0.50	187.50
			(7)	-18.75
06/29/10	J. DeJonker	Exchange e-mails with K. Pasquale, et al., regarding Lewin settlement proposal (.20); conference with G. Paloian regarding redemption complaints and settlement (.20);	0.40	176.00
			(4)	-88
06/30/10	A. Banas	Assist J. DeJonker with possible settlement of complaint against M. Kramer to recover redemption payment (.10); analyze e-mails of Canopy insiders in connection with recovery of fraudulently transferred estate assets (3.20).	3.30	1,072.50
06/30/10	J. DeJonker	Exchange e-mails with G. Paloian, et al., regarding Kramer and Lewin matters (.30); telephone conference with T. Barrett regarding Kramer adversary matter (.30); telephone conference with K. Pasquale regarding Lewin adversary matter (.30); exchange e-mails with T. Barrett, regarding Kramer adversary matter (.10).	1.00	440.00
			(4)	-132
TOTAL			145.70	\$52,069.00
				(4) \$-4,841.75

OTHER PROFESSIONAL FEE APPLICATIONS

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/16/10	J. Sowka	Review and analyze objection to application for compensation.	0.10	32.50
03/18/10	J. Sowka	Review and analyze objection to fee application.	0.10	32.50
04/16/10	J. Sowka	Exchange E-mails with P. McGrath regarding filing of fee applications.	0.10	32.50
04/26/10	J. Sowka	Review fee applications of Alvarez & Marsal (.10); confer with G. Paloian regarding same (.10).	0.20	65.00
04/27/10	J. Sowka	Review and analyze fee applications of Alvarez and Marsal for work in chapter 11 and chapter 7 (1.20); draft email to G. Paloian regarding same (.30).	1.50	487.50
04/27/10	J. McManus	Retrieve and review professional's fee application (.30); > conference with J. Sowka regarding A & M Fee Application (.20).	0.60	141.00
			④ -70.5	
04/30/10	J. Sowka	Review email from P. McGrath regarding filing of fee applications by Alvarez and Marsal.	0.10	32.50
05/03/10	J. Sowka	Draft email to P. McGrath regarding filing of fee applications.	0.10	32.50
05/14/10	J. Sowka	Draft email to J. Kosciolek of Legalpeople regarding quarterly fee application requirements.	0.30	97.50
05/17/10	J. Sowka	Exchange e-mails with J. Kosciolek regarding fee application requirements.	0.20	65.00
06/22/10	J. McManus	Assemble and review Legalpeople invoices for preparation of their fee application.	0.30	70.50
06/25/10	A. Shepro	Retrieve various fee applications and claims from PACER for G. Paloian.	0.20	16.00
TOTAL			3.80	\$1,105.00

④ - \$70.5

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ASSUMPTION/REJECTION OF LEASES

<u>Date</u>	<u>Attorney</u>	<u>Description</u>	<u>Hours</u>	<u>Value</u>
03/01/10	J. Sowka	Place call to creditor to motion to extend time to assume or reject leases. (4)	0.10	32.50 -32.5
03/02/10	J. Sowka	Review email from R. Angart regarding extension of time to assume or reject equipment lease subsequent to automatic rejection under the bankruptcy code (.10); legal research regarding same (.40); confer with R. Angart regarding same (.10).	0.60	195.00
03/17/10	J. Sowka	Review and analyze list of executory contracts and post petition payments.	0.10	32.50
03/19/10	J. Sowka	Telephone conference with R. Janito regarding treatment of executory contract with GE Capital (.10); review lease agreement and motion extending time to assume or reject lease with GE Capital (.30); confer with R. Angart regarding payment obligations regarding same (.10); draft email to R. Janito and R. Angart regarding same (.10).	0.60	195.00
04/27/10	J. DeJonker	Exchange E-mails with, review and analyze voicemail message from, and telephone conference with H. Baer regarding Lexis contract (.30); review and analyze APA related to same (.20).	0.50	220.00
04/29/10	J. Sowka	Exchange E-mails with J. DeJonker regarding potential assumption and assignment of Lexis contract.	0.10	32.50
04/29/10	J. DeJonker	Exchange E-mails with J. Sowka, et al., regarding assumption and assignment of contracts (.10); telephone conference with H. Baer regarding same (.30). (4)	0.40	176.00 -44
05/04/10	J. Sowka	Draft correspondence to J. Davis regarding rejection of the contract with Equinix.	0.20	65.00
TOTAL			2.60	\$ 948.50 - \$ 76.5